

CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MONDAY, NOVEMBER 7, 2011
7:30 P.M.

Meeting to be held at City Hall
301 West Main Street

AGENDA

OPENING PRAYER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

APPROVAL OF THE AGENDA:

APPROVAL OF THE MINUTES OF REGULAR MEETING OF OCTOBER 17, 2011:

ADDRESSING THE CITY COUNCIL

1. Your comments shall be made during times set aside for that purpose.
2. Stand or raise a hand to indicate that you wish to speak.
3. When recognized, give your name and address and direct your comments and/or questions to any City official in attendance.
4. Each person wishing to address the City Council and/or attending officials shall be afforded one opportunity of up to four (4) minutes duration during the first occasion for citizen comments and questions. Each person shall also be afforded one opportunity of up to three (3) minutes duration during the last occasion provided for citizen comments and questions and one opportunity of up to two (2) minutes duration during each public hearing. Comments made during public hearings shall be relevant to the subject for which the public hearings are held.
5. In addition to the opportunities described above, a citizen may respond to questions posed to him or her by the Mayor or members of the Council, provided members have been granted the floor to pose such questions.

PROCLAMATIONS / SPECIAL PRESENTATIONS

1. Proclamation – Councilperson Joni Forster. A Mayoral proclamation recognizing the service of Councilperson Joni M. Forster.
2. Proclamation – Councilperson Gary Martenis. A Mayoral proclamation recognizing the service of Councilperson Gary W. Martenis.

PUBLIC HEARINGS

1. Ordinance Amendment. Conduct a public hearing to receive citizen comment regarding proposed ordinance amendment to add Chapter 8, Buildings and Building Regulations, Article VIII, *Registering Abandoned and Foreclosed Homes*, Sections 8-160 through 8-176 to the Code of Ordinances of the City of Owosso, Michigan and rename current Articles VIII and IX as Articles IX and X respectively.
2. Industrial Facilities Exemption Certificate. Conduct a Public Hearing to receive citizen comment regarding the application of Midwest Bus, Inc. for an Industrial Facilities Exemption Certificate for real property improvements at 1070 Aiken Street.

CITIZEN COMMENTS AND QUESTIONS

CITY MANAGER REPORT

Project Status Report

CONSENT AGENDA

1. Traffic Control Order No. 1260. Authorize Traffic Control Order No. 1260 for a sign "No Parking 8:00 a.m. to 5:00 p.m., School Days Only" on both sides of Oak Street north of Oliver Street.
2. Change Order. Approve change to the purchase order with Ace Asphalt & Paving Company for additional paving for the 2011 Street Program in the amount of \$43,316.69.
3. Payment Authorization. Authorize Final Payment to Ace Asphalt & Paving Company for work completed on the 2011 Street Program in the amount of \$53,326.34.
4. Change Order. Approve change #2 to the purchase order with One Way Asphalt for additional street patches for the 2011 Street Patch Program in the amount of \$1,921.47.
5. Payment Authorization. Authorize Final Payment to One Way Asphalt for work completed on the 2011 Street Patch Program in the amount of \$3,245.74.
6. Emergency Repair Authorization. Authorize payment to Alfa Laval, Inc. for emergency repairs to the sludge dewatering centrifuge at the wastewater treatment plant in the amount of \$31,918.00.
7. Warrant No. 431. Accept Warrant No. 431 as presented.

ITEMS OF BUSINESS

1. Publicly Funded Health Insurance Contribution Act. Discuss options regarding the limits on public employer funding of health benefits (PA 152 of 2011- continued from the meeting of October 17, 2011).
2. LED Lighting Grant. Consider approval of the grant for LED lighting in the downtown.
3. Executive Session. Authorize holding executive session at the conclusion of regular business for the purpose of discussing contract negotiations.

COMMUNICATIONS

1. Donald D. Crawford, City Manager. Annual Liquor License Inspection Report.
2. Owosso Historical Commission. Minutes of the Meeting of October 18, 2011.
3. Owosso Zoning Board of Appeals. Minutes of Meeting of October 18, 2011.
4. Downtown Historic District Commission. Minutes of the Meeting of October 19, 2011.
5. Owosso Planning Commission. Minutes of Meeting of October 24, 2011.
6. Owosso Parks & Recreation Commission. Minutes of Meeting of October 24, 2011.

CITIZEN COMMENTS AND QUESTIONS

NEXT MEETING

Monday, November 21, 2011

BOARDS AND COMMISSIONS OPENINGS

Downtown Development Authority/Owosso Main Street, term expires 06-30-2013

ADJOURNMENT

The City of Owosso will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon seventy-two (72) hours notice to the City of Owosso. Individuals with disabilities requiring auxiliary aids or services should contact the City of Owosso by writing or calling the following: Amy K. Kirkland, City Clerk, 301 West Main Street, Owosso, MI 48867 or at (989) 725-0500. The City of Owosso Website address is www.ci.owosso.mi.us.

OWOSSO CITY COUNCIL

OCTOBER 17, 2011

7:30 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK
OPENING PRAYER: SHELVA CEBULSKI
PLEDGE OF ALLEGIANCE: EDDIE URBAN
PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Cindy S. Popovitch, Councilpersons Thomas B. Cook, Michael J. Erfourth, Christopher T. Eveleth, Joni M. Forster, and Gary W. Martenis.
ABSENT: None.

APPROVE AGENDA

Motion by Councilperson Eveleth to approve the agenda as presented.

Motion supported by Councilperson Forster and concurred in by unanimous vote.

APPROVAL OF THE MINUTES OF REGULAR MEETING OF OCTOBER 3, 2011

Motion by Councilperson Forster to approve the Minutes of the Regular Meeting of October 3, 2011 as presented.

Motion supported by Councilperson Erfourth and concurred in by unanimous vote.

SPECIAL PRESENTATION

OWOSSO DAMS STUDY PRESENTATION

Presentation by Gary Burk, president of the Friends of the Shiawassee River, and Shawn Middleton, PE, Spicer Engineering, regarding a recent study examining the potential modification of the 3 dams located on the river within the City limits.

Further citizen comment will be gathered and a final report with recommendation will be issued in December.

PUBLIC HEARINGS

OBSELETE PROPERTY REHABILITATION EXEMPTION – JOHN HANKERD

A Public Hearing was conducted to receive citizen comments regarding application from John Hankerd for an Obsolete Property Rehabilitation Exemption Certificate for the property at 116 West Exchange Street.

The following people addressed the Council regarding the proposed exemption:

John Hankerd, property owner, updated the Council on the progress of the project to this point and asked for their support.

Justin Horvath, president/CEO of the SEDP, pointed out Mr. Hankerd's business brings in a majority of its dollars from outside the community and the OPRA is a great tool to support businesses like his that are adapting and reusing existing facilities.

Motion by Mayor Pro-Tem Popovitch to the following resolution authorizing an Obsolete Property Rehabilitation Exemption for John Hankerd for a period of 8 years for the property located at 116 West Exchange Street:

RESOLUTION NO. 162-2011

**A RESOLUTION TO APPROVE
THE APPLICATION FOR AN
OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE
FROM JOHN HANKERD OF HANKERD SPORTSWEAR
FOR PROPERTY LOCATED AT
116 WEST EXCHANGE STREET**

WHEREAS, the City of Owosso is a Qualified Local Government Unit within the State of Michigan and is empowered to provide tax exemptions for increased value of rehabilitated facilities within the City; and

WHEREAS, after public notice and a public hearing on September 20, 2010, the City Council of the City of Owosso approved an Obsolete Property Rehabilitation District at 116 West Exchange Street in Owosso, Michigan. As provided by section 4(2) of Public Act 146 of 2000, said property more particularly described as:

W 1/3 OF LOT 7, BLOCK 15 (EX N 12') ORIGINAL PLAT OF CITY OF OWOSSO

WHEREAS, the City Clerk received an application on September 20, 2011 from John Hankerd, the owner of the property occupied by Hankerd Sportswear, for an Obsolete Property Rehabilitation Exemption Certificate; and

WHEREAS, notice of a public hearing concerning the application for an exemption certificate was provided to the Assessor of the City and the legislative body of each taxing unit that levies ad valorem property taxes in the City; and

WHEREAS, the City finds that the property meets the definition of an obsolete property as defined in section 2(h) of Public Act 146 of 2000 and the application for the exemption certificate is complete; and

WHEREAS, the City finds that the property relates to a rehabilitation program that when completed constitutes a "rehabilitated facility" within the meaning of P.A. 146 of 2000, and said property is located within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of PA 146 of 2000; and

WHEREAS, it has been found that the rehabilitation of the obsolete property is calculated to, and will at the time of the issuance of the certificate, have the reasonable likelihood to increase commercial activity, retain and create employment, and revitalize the downtown; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of the property already exempt under PA 146 of 2000 and under PA 198 of 1974 does not exceed 5% of the total taxable value of the unit; and

WHEREAS, the applicant is not delinquent in any taxes related to the facility; and

WHEREAS, the rehabilitation work described in the application had not commenced prior to the establishment of the District.

NOW, THEREFORE, BE IT RESOLVED that, based on the findings above made at public hearing, the City Council of the City of Owosso authorizes the application for an Obsolete Property Rehabilitation Exemption Certificate at 116 West Exchange Street for a period of 8 years, a period determined per the Abatement Schedule of the City of Owosso Tax Abatement Policy of 2010; and

ALSO, BE IT RESOLVED that the rehabilitation shall be completed within eighteen (18) months from the date of approval of said application, and

FURTHERMORE, BE IT RESOLVED that the application and resolution are authorized for submittal to the State Tax Commission for final review and authorization.

Motion supported by Councilperson Eveleth.

Roll Call Vote.

AYES: Councilperson Forster, Mayor Pro-Tem Popovitch, Councilpersons Eveleth, Martenis, Erfourth, Cook, and Mayor Frederick.

NAYS: None.

INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE – RUESS WINCHESTER, INC.

A Public Hearing was conducted to receive citizen comment regarding the application of Ruess Winchester, Inc. for an Industrial Facilities Exemption Certificate for real property improvements at 705 McMillan Avenue.

City Assessor Larry D. Cook noted a calculation error in the documentation presented to Council, changing the noted total for personal property from \$305,828.00 to \$388,800.00.

The following people addressed the Council regarding the proposed exemption:

Lisa Cantu, RWI representative, said this was an exciting time for the business, they look forward to the expansion and hope for Council's support of their project.

Justin Horvath, president/CEO of the SEDP, indicated RWI is a home-grown business that has grown continuously over the years. Construction of their new building represents the first new building in the industrial park in a number of years.

Motion by Councilperson Eveleth to authorize the following resolution approving a 12-year Industrial Facilities Exemption Certificate for Ruess Winchester, Inc. for the property located at 705 McMillan Avenue:

RESOLUTION NO. 163-2011

**APPROVING INDUSTRIAL FACILITIES EXEMPTION CERTIFICATES FOR REAL AND PERSONAL PROPERTY FOR RUESS WINCHESTER, INCORPORATED
705 MCMILLAN AVENUE**

WHEREAS, pursuant to PA 198 of 1974, as amended, after a duly noticed public hearing held on March 19, 1979, this City Council, by resolution established an Industrial Development District; and

WHEREAS, Ruess Winchester, Incorporated has filed an application for Industrial Facilities Exemption Certificates with respect to real and personal property within the Industrial Development; and

WHEREAS, before acting on said application, the City of Owosso held a hearing on October 17, 2011, in City Hall, at 301 W. Main Street, Owosso, MI, 48867, at 7:30 p.m. at which hearing the applicant, the

Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of and/or acquisition of the real and personal property had not begun earlier than six (6) months before September 30, 2011, the date application received for the Industrial Facilities Exemption Certificates; and

WHEREAS, construction of the real property and acquisition of the personal property is calculated to and will, at the time of issuance of the certificates, have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Owosso; and

WHEREAS, the aggregate SEV of property exempt from ad valorem taxes within the City of Owosso, after granting this certificates, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of Owosso that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificates considered together with the aggregate amount of certificates previously granted and currently in force under PA 198 of 1974, as amended and PA 225 of 1978, as amended shall not have the effect of substantially impeding the operation of the City of Owosso, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Owosso.
2. The application from Ruess Winchester, Incorporated for the Industrial Facilities Exemption Certificates, with respect to Real and Personal Property on the following described parcel of real property situated within the Industrial Development District, to wit:

Real Parcel

PART OF BLKS 8 & 9, GEO T ABREYS WOODLAWN PARK ADD DESC AS BEG AT A POINT N00°42'06"E ALONG THE W LN OF BLK 8 AND E LN OF MCMILLAN 528.55' FROM SW COR OF SAID BLK 8 TO POB, TH CONT N00°42'06"E ALONG SAID W LN OF BLK 8 AND E LN OF MCMILLAN AV 206.85', TH S89°58'12"E 443.36', S01°05'45"W 206.87', N89°58'12"W 441.94' TO W LN BLK 8 AND POB.

District

BLOCKS 8 & 9 ALSO BEG SW COR LOT 1, BLK 11 TH N 03°39', E 366.24', TH S 62°27', E 556.27' TH S 01°05', W 118.70' TH W TO POB INCLUDING VACATED ABREY AVE. & ALLEYS ADJACENT AND WITHIN SAID BLOCKS. GEO. T. ABREY'S WOODLAWN PARK ADDN.; and

is hereby approved.

3. The Industrial Facilities Exemption Certificates, when issued, shall be and remain in force for a period of 12 years.

Motion supported by Councilperson Cook.

Roll Call Vote.

AYES: Mayor Pro-Tem Popovitch, Councilpersons Cook, Eveleth, Martenis, Forster, Erfourth, and Mayor Frederick.

NAYS: None.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, owner of 118 South Washington Street, said the downtown and Westtown have never looked better. He also commented on research he has performed on the dams along the river. He said since ownership of the dams could not be clearly established the issue of removal of the dams should go before voters.

Eddie Urban, 601 Glenwood Avenue, asked questions about the effects of the removal of the dams and stated his concerns about potential effects on fishing and canoeing.

Sarah Warren-Riley, City employee, asked that the Council keep City employees in mind when discussing what to do to comply with PA152 limiting the amount the City will pay for health care for employees.

Councilperson Erfourth congratulated the police department for their rapid recovery of an elderly gentleman that was lost the night before.

Mayor Pro-Tem Popovitch inquired about repair of North Oak Street near Emerson School, if there were any plans for RWI's current location on Exchange Street, and the cost/benefit of the proposed foreclosed property ordinance.

Councilperson Eveleth asked that a police officer be posted near the hospital to monitor speeding.

Councilperson Cook indicated he was interested in public sentiment on the proposed foreclosed property ordinance. He also asked if there were tools available to assist citizens in refurbishing such properties.

Mayor Frederick announced a drug take back event scheduled for October 29th from 10:00 am until 2:00 p.m. at the Public Safety Building.

Mayor Pro-Tem Popovitch noted there were speeding problems on her street as well.

CITY MANAGER REPORT

City Manager Crawford detailed the problems associated with foreclosed properties and the need for a foreclosed property ordinance. He also indicated the City needs to consider changing the process for placing liens on such properties as they tend to change hands quickly and quietly which could potentially leave the City with unpaid invoices related to the properties.

The Council took a brief recess from 9:02 p.m. until 9:11 p.m.

City Manager Crawford continued his report by detailing the Project Status Report.

Council inquired about the progress of the BMX track. Staff noted it seems the group that spearheaded the project had broken up and the project was at a standstill. City Engineer Baker agreed to call Rick Morris at House of Wheels to see about getting work started again.

Councilperson Cook noted the Friends of the Shiawassee River were planning a work session to clean the river banks and plant trees on October 22nd.

Mayor Pro-Tem Popovitch asked that someone look into cleaning up the dirt left on East King Street and Huntington Drive from the recent sump collector installation project.

CONSENT AGENDA

Motion by Councilperson Erfourth to approve the Consent Agenda as follows:

First Reading and Set Public Hearing – Ordinance Amendment. Conduct First Reading and set a public hearing for November 7, 2011 to receive citizen comment regarding proposed ordinance amendment to add Chapter 8, Buildings and Building Regulations, Article VIII, *Registering Abandoned and Foreclosed*

Homes, Sections 8-160 through 8-176 to the Code of Ordinances of the City of Owosso, Michigan and rename current Articles VIII and IX as Articles IX and X respectively as follows:

**AN ORDINANCE TO REQUIRE ABANDONED OR FORECLOSED PROPERTY
REGISTRATION AND MAINTENANCE**

AN ORDINANCE to amend Sections 08-160 through 08-176, naming a new Article VIII, *Registering Abandoned and Foreclosed Homes*, Chapter 8, Buildings and Building Regulations, to insure the health, safety and welfare of the residents of the city of Owosso, by preventing blight, protecting property values and neighborhood integrity, avoiding the creation and maintenance of nuisances and ensuring safe and sanitary maintenance of structures, and repealing all ordinances and/or resolutions in conflict therewith.

WHEREAS, the City of Owosso has been hit particularly hard by the recent recession; and

WHEREAS, the recession has lead to a large increase in foreclosed and abandoned homes in the City; and

WHEREAS, foreclosed and abandoned homes are many times subject to neglect bringing down property values and presenting a health and safety risk to the neighborhoods they are a part of; and

WHEREAS, the City needs a mechanism to track foreclosed and abandoned homes to prevent them from becoming nuisances.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Owosso, Michigan that all foreclosed and abandoned homes in the City of Owosso be registered in accordance with Article VIII, *Registering Abandoned and Foreclosed Homes*, of Chapter 8, Buildings and Building Regulations, as follows:

THE CITY OF OWOSSO ORDAINS:

SECTION 1. Short Title.

This Ordinance shall be known and cited as the *City of Owosso Abandoned or Foreclosed Property Registration and Maintenance Ordinance*.

SECTION 2. Secs 8-160 through 8-176 shall read as follows:

Sec. 8-160. Purpose.

It is the purpose and intent of the city of Owosso, through the adoption of this article, to establish an abandoned residential property registration program as a mechanism to protect residential neighborhoods from becoming blighted through the lack of adequate maintenance and security of abandoned properties.

Sec. 8-161. Definitions.

For the purpose of this article, certain words and phrases are defined as follows:

Abandoned means a property that is vacant and is under a current complaint for foreclosure or notice of foreclosure and/or notice of trustee's sale, pending tax sale, and/or properties that have been the subject of a foreclosure sale where the title was retained by the beneficiary of a mortgage involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale.

Accessible property means a property that is accessible through a compromised/breached gate, fence, wall, etc.

Accessible structure means a structure/building that is unsecured and/or breached in such a way as to allow access to the interior space by unauthorized persons.

Agreement means any agreement or written instrument which provides that title to residential property shall be transferred or conveyed from one owner to another owner after the sale, trade, transfer, or exchange.

Assignment of rents means an instrument that transfers the beneficial interest under a mortgage from one lender/entity to another.

Beneficiary means a lender under a note secured by a mortgage.

Buyer means any person, co-partnership, association, corporation, or fiduciary who agrees to transfer anything of value in consideration for property described in an agreement of sale, as defined in this section.

Dangerous building means any building/structure that is in violation of any condition referenced in chapter 8 of this Code.

Days means consecutive calendar days.

Deed in lieu of foreclosure/sale means a recorded document that transfers ownership of a property from the trustor to the holder or a mortgage upon consent of the beneficiary of the mortgage.

Default means the failure to fulfill a contractual obligation, monetary, or conditional.

Distressed means a property that is under a current notice of default and/or notice of trustee's sale and/or pending tax assessor's lien sale or has been foreclosed upon by the trustee or has been conveyed to the beneficiary/trustee via a deed in lieu of foreclosure/sale.

Evidence of vacancy means any condition that on its own or combined with other conditions present would lead a reasonable person to believe that the property is vacant. Such conditions include, but are not limited to, overgrown and/or dead vegetation, accumulation of newspapers, circulars, flyers and/nor mail, past due utility notices and/or disconnected utilities, accumulation of trash, junk and/or debris, the absence of window coverings such as curtains, blinds and/or shutters, the absence of furnishings and/or personal items consistent with residential habitation, statements by neighbors, passersby, delivery agents, government employees that the property is vacant.

Foreclosure means the process by which a property, placed as security for a real estate loan, is sold at auction to satisfy the debt if the trustor (borrower) defaults.

Local means within forty (40) road/driving miles distance of the subject property.

Mortgage means an instrument by which title to real estate is transferred to a third party trustee as security for a real estate loan.

Neighborhood standard means those conditions that are present on a simple majority of properties within a three-hundred-foot radius of an individual property. A property that is the subject of a neighborhood standard comparison, and any other abandoned property within the three-hundred-foot radius, shall not be counted toward the simple majority.

Out-of-area means in excess of forty (40) road/driving miles distance of the subject property.

Owner means any person, co-partnership, association, corporation, or fiduciary having a legal or equitable title or any interest in any real property excluding governmental agencies.

Owner of record means the person having recorded title to the property.

Property means any unimproved or improved real property, or portion thereof, situated in the city and includes the buildings or structures located on the property regardless of condition.

Residential building means any improved real property, or portion thereof, situated in the city, designed, or permitted to be used for dwelling purposes, and shall include the buildings or structures located on such improved real property. This includes any real property being offered for sale, trade, transfer, or exchange as residential whether or not it is legally permitted and/or zoned for such use.

Secure or *secured* means such measures as may be directed by the city of Owosso building official or his or her designee that render the property inaccessible to unauthorized persons, including but not limited to the repairing of fences and walls, chaining/padlocking of gates, and the repair or boarding of doors, broken windows and/or other openings. In the case of broken windows, securing means the reglazing or boarding of the window. Boarding shall be completed or required. In addition, secure or secured means closing and locking windows, doors (walk-through, sliding and garage), gates and any other opening of such size that it may allow a person to access the interior of a property and/or structure(s).

Trustee means the person, firm, or corporation holding a mortgage on a property.

Trustor means a borrower under a mortgage, who deeds property to a trustee as security for the payment of a debt.

Vacant means a building/structure that is not legally occupied.

Sec. 8-162. Registration.

Any beneficiary/trustee, who holds a mortgage on a property located within the city, shall perform an inspection, to the extent permitted by law or under the mortgage, of the property that is the security for the mortgage, upon default by the trustor, within five (5) days after either filing a complaint for foreclosure (if foreclosure is by judicial action) or publishing a notice of foreclosure (if foreclosure is by advertisement). If the property is found to be vacant or shows evidence of vacancy, it is, by this article, deemed abandoned and the beneficiary/trustee shall, within ten (10) days of the inspection, register the property with the city of Owosso building official or his or her designee on forms provided by the city.

If the property is occupied but remains in default, it shall be inspected, to the extent permitted by law and the mortgage, by the beneficiary/trustee, or his designee, monthly until (1) the trustor or other party remedies the default or (2) it is found to be vacant or shows evidence of vacancy at which time it is deemed abandoned, and the trustee shall, within ten (10) days of that inspection, register the property with the city of Owosso building official or his or her designee on forms provided by the city.

In either case the registration shall contain the name of the beneficiary/trustee (corporation or individual), the direct street/office mailing address of the beneficiary/trustee (no P.O. boxes), a direct contact name and phone number for the beneficiary/trustee and, in the case of a corporation or out-of-area beneficiary/trustee, the local property management company responsible for the security, maintenance, and marketing of the property. Registration fees will not be prorated.

An annual registration fee shall accompany the registration form. The fee and registration shall be valid for the calendar year, or remaining portion of the calendar year, in which the registration was initially required. Subsequent registrations and fees are due January 1 of each year and must be received no later than January 31 of the year due.

This section shall also apply to properties that have been the subject of a foreclosure sale where the title was transferred to the beneficiary of a mortgage involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale. Such properties shall be registered with the city in accordance with the terms of this section upon transfer even if occupied at the time of transfer.

Properties subject to this article shall remain under the annual registration requirement, security, and maintenance standards of this section as long as they remain vacant.

A person, firm, or corporation that has registered a property under this article must report any change of information contained in the registration to the city of Owosso building official within ten (10) days of the change.

Sec. 8-163. Maintenance requirements.

Vacant and abandoned properties subject to this section shall be, in comparison to the neighborhood standard, kept free of weeds, dry bush, dead vegetation, trash, junk, debris, building materials, any accumulation of newspapers, circular, flyers, notices, except those required by federal, state, or local law, discarded personal items including but not limited to furniture, clothing, large and small appliances, printed material or any other items that give the appearance that the property is abandoned.

The property shall be maintained free of graffiti, tagging, or similar markings by removal or painting over with an exterior grade paint that matches the color of the exterior of the structure.

Visible front and side yards shall be landscaped and maintained to the neighborhood standard at the time registration was required. Landscape includes, but is not limited to, grass, ground covers, bushes, shrubs, hedges or similar plantings, decorative rock or bark or artificial turf/sod designed specifically for residential installation. Landscape does not include weeds, gravel, broken concrete, asphalt, decomposed granite, plastic sheeting, mulch, indoor-outdoor carpet or any similar material.

Maintenance includes but is not limited to regular watering, irrigation, cutting, pruning, and moving of required landscape and removal of all trimmings.

Pools and spas shall be either kept in working order so the water remains clear and free of pollutants and debris or drained and kept dry or drained and covered. In either case properties with pools and/or spas must comply with the minimum security fencing requirements of the state of Michigan.

Adherence to this section does not relieve the beneficiary/trustee or property owner of any obligations set forth in any covenants, conditions, and restrictions and/or homeowners' association rules and regulations which may apply to the property.

Sec. 8-164. Security requirements.

Properties subject to this section shall be secured so as not to be accessible to unauthorized persons. If the property is owned by a corporation and/or out-of-area beneficiary/trustee/owner, a local property management company shall be contracted to perform weekly inspections to verify that the requirements of this section, and any other applicable laws, are being met.

The local property management company shall inspect the property on a weekly basis to determine if the property is in compliance with the requirements of this article.

Sec. 8-165. Additional authority.

In addition to the enforcement remedies established in this article or other chapters of the *Code of Ordinances*, the city of Owosso building official or his or her designee shall have the authority to require the beneficiary/trustee/owner and/or owner of record of any property affected by this section to implement additional maintenance and/or security measures including but not limited to securing any/all door, window, or other openings, installing additional security lighting, increasing on-site inspection frequency, employment of an on-site security guard or other measures as may be reasonably required to arrest the decline of the property.

Sec. 8-166. Fees.

The fee for registering an abandoned residential property shall be set by resolution of the city of Owosso.

Sec. 8-167. Failure to secure and maintain.

If a property has not been maintained or secured, the city and/or its contracted agent, may maintain and/or secure the property and assess costs to the owner, beneficiary or trustee.

Sec. 8-168. Re-occupancy.

A registered property may not be occupied until all outstanding costs, assessments and/or liens owed to the city have been paid in full.

Sec. 8-169. Violation/abatement.

Violations of this article shall be treated as a strict liability offense regardless of intent. Violations of this article may be enforced as allowed in this chapter. Alternatively, at the sole discretion of the city, the city may issue to the beneficiary/trustee/owner and/or owner of record a notice to abate. The notice to abate shall include:

- (1) The nature and location of the violation;
- (2) The time within which the violation must be abated;
- (3) Notice that the city may act to abate the violation if it is not abated by the owner within a reasonable time stated in the notice, but which may not exceed fifteen (15) days;
- (4) Notice that the cost of such action by the city, plus an administrative fee, shall be a personal debt of the owner, which may be assessed as a lien against the property until paid; and
- (5) Notice that any refusal to allow the city to abate an uncorrected violation shall be a separate violation under this Code.

Sec. 8-170. Authorization for city abatement.

Upon failure of a beneficiary/trustee/owner and/or owner of record to abate a violation as ordered in a notice to abate, the city may abate the nuisance. This abatement may be performed by the city, by a contract vendor, or by other means determined by the city.

Sec. 8-171. Administrative fees.

The fees necessary for the administration of this article shall be established from time to time by resolution of the city council. Such administrative fees shall include the following:

- (1) Notice to abate;
- (2) Search warrant;
- (3) Contact request or warning of abatement action;
- (4) Warning letter;
- (5) Civil infraction preparation;
- (6) Additional inspections;
- (7) Vending;
- (8) Second and subsequent vending;
- (9) Vehicle removal;
- (10) Second and subsequent vehicle removal; and
- (11) Denied entry.

Sec. 8-172. Charge for costs.

When the city has abated a cited nuisance, the cost of abatement, plus any applicable administrative charges as established by city council resolution, shall be billed to the property owner or beneficiary/trustee. Such billing shall be a personal debt of the owner to the city, which may be assessed as a lien against the property, including interest thereon, until paid.

Sec. 8-173. Appeals.

Any person aggrieved by any of the requirements of this section may appeal to the Owosso Building Board of Appeals, provided that a written application for appeal is filed within twenty (20) days after the day the decision, notice, or order was served. An application for appeal shall be based on a claim that the true intent of this Code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this Code do not fully apply, the requirements of this Code are adequately satisfied by other means, or the strict application of any requirement of this Code would cause an undue hardship.

Sec. 8-174. Owner, unoccupied premises.

If a property is not in foreclosure but is otherwise unoccupied, the owner shall comply with all of the following:

- (1) Maintain the property in accordance with section 8-163 herein and article VI of this chapter.
- (2) Register the property in accordance with section 8-162
- (3) Responsible for the fee identified pursuant to section 8-166 herein.
- (4) Keep the property secure in accordance with sections 8-164 and 8-165 herein.
- (5) Not permit re-occupancy until all outstanding costs, assessments and/or liens owed to the city are paid in full.
- (6) If the owner leases or lets the property, the owner shall comply with article VII of this chapter in addition to the requirements herein.

Sec. 8-175. Exempt properties.

Properties currently registered with the City as a rental dwelling unit in accordance with Section VII of this Chapter are exempt from the *City of Owosso Abandoned or Foreclosed Property Registration and Maintenance Ordinance*.

Sec. 8-176. Penalty.

Violation of this article is a civil infraction wherein a fine of up to five hundred dollars (\$500.00) may be assessed for each violation.

Section 3: Renumbering of Articles VIII, IX & X.

The current Article VIII, *Numbering of Buildings*, will become Article IX, *Numbering of Buildings*, with Sections 8-161 and 8-162 becoming Sections 8-190 and 8-191 respectively, the text to remain as written.

The current Article IX, *Historic Districts*, will become Article X, *Historic Districts*.

Section 4: Severability.

If any section, subsection, sentence, clause or phrase of this article is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this article. The city hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one (1) or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

Section 5: Effective Date.

This ordinance shall take effect 20 days after passage.

Section 6: Inspection.

This Ordinance may be purchased or inspected in the City Clerk's Office Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

Set Public Hearing –Industrial Facilities Exemption Certificate. Set a Public Hearing for November 7, 2011 to receive citizen comment regarding the application of Midwest Bus, Inc. for an Industrial Facilities Exemption Certificate for real property improvements at 1070 Aiken Street as follows:

RESOLUTION NO. 164-2011

**SETTING PUBLIC HEARING TO CONSIDER APPLICATION FOR
AN INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE
MIDWEST BUS CORPORATION
1070 AIKEN ROAD**

WHEREAS, a tax abatement application was received May 19, 2011 from Midwest Bus Corporation per the City of Owosso Tax Abatement Policy of June 7, 2010; and

WHEREAS, application was also received October 13, 2011 from Midwest Bus Corporation for a Rehabilitation Industrial Facilities Tax Exemption Certificate; and

WHEREAS, an Industrial Development District was established June 20, 2011 for property described as:

LOT 8 OWOSSO SOUTHEAST INDUSTRIAL PARK; and

WHEREAS, the Industrial Facilities Tax Exemption certificate, being part of Act 198 of 1974, is available to the city of Owosso; and

WHEREAS, city of Owosso is qualified local governmental unit and permits the city of Owosso to grant an Industrial Facilities Tax Exemption Certificate; and

WHEREAS, it was determined by city staff that the Industrial Facilities Exemption Certificate is within the guidelines of the City of Owosso Tax Abatement Policy of June 7, 2010; and

WHEREAS, notification will be sent to all taxing jurisdictions per the City of Owosso Tax Abatement Policy of June 7, 2010; and

NOW, THEREFORE, BE IT RESOLVED by the city council of the city of Owosso, Shiawassee County, Michigan that:

FIRST: the Owosso City Council sets a public hearing for November 7, 2011 on or about 7:30 p.m. in the council chambers for the purpose hearing comments for those within the proposed district, governmental taxing jurisdictions and any other resident or taxpayer, of the city of Owosso; and

SECOND: the city clerk gives the notifications as required by law.

Set Public Hearing – Parks Plan Update. Authorize setting a public hearing for Monday, November 21, 2011 to receive citizen comment on the proposed 2011 Parks and Recreation Plan Update as follows:

RESOLUTION NO. 165-2011

**SET PUBLIC HEARING
2011 OWOSSO PARKS AND RECREATION PLAN**

WHEREAS, the City of Owosso must review its parks and recreation plan every five years in accordance with parts 19, 703 and 716 of Act 451, P.A. 1994 of the State of Michigan, as amended; and

WHEREAS, the city council has appointed a parks and recreation commission to oversee the plan; and

WHEREAS, the parks and recreation commission reviewed the 2006 plan this summer by holding workshops and meetings on August 22nd, September 13th, and September 26th in order to get public participation and input for a potential update; and

WHEREAS, updates and amendments to the plan were made in accordance with public, commissioner, and staff input; and

WHEREAS, the plan was approved by the Owosso parks and recreation commission for distribution and review by the city council on September 26, 2011; and

WHEREAS, a public hearing is required by the Owosso city council to be held no less than 30 days after distribution in accordance with the above statute and DNR guidelines in order to validate the plan.

BE IT RESOLVED THAT City of Owosso City Council, County of Shiawassee, State of Michigan, hereby sets a public hearing for November 21, 2011 in the city council chambers within city hall, 301 West Main Street, Owosso, MI 48867 to hear all persons interested in the amended 2011 Owosso Parks and Recreation Plan.

BE IT FURTHER RESOLVED THAT the same council hereby directs staff to distribute the plan to the public library, city hall front desk, and the city website and to supply a public notice of its availability to a newspaper of general circulation within the city.

Change Order. Approve change to the purchase order with Sumbera Excavating for additional curb and gutter for the 2011 Curb and Gutter Program in the amount of \$6,006.83 as follows:

RESOLUTION NO. 166-2011

**AUTHORIZING CHANGE ORDER NO. 1
SUMBERA EXCAVATING CO.
FOR WORK RELATED TO
THE 2011 CURB AND GUTTER PROJECT**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, entered into an agreement with Sumbera Excavating Co. for the 2011 Curb and Gutter Program; and

WHEREAS, work on this project has been completed and Change Order No.1 in the amount of \$6,006.83 for additional curb and gutter replacement and drive approaches has been done to take advantage of the low unit prices.

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 pay Sumbera Excavating Co. for the additional construction items as shown in Change Order No. 1.
- SECOND: The accounts payable department is authorized increase the purchase order for the 2011 Misc. Curb Gutter Project by the amount of \$6,006.83 as shown in change order no. 1.
- THIRD: The above expenses shall be paid from the Local and Major Street Funds.

Payment Authorization. Authorize Final Payment to Sumbera Excavating for work completed on the 2011 Curb and Gutter Program in the amount of \$119,968.25 as follows:

RESOLUTION NO. 167-2011

**AUTHORIZING FINAL PAYMENT TO
SUMBERA EXCAVATING CO.
FOR WORK RELATED TO
THE 2011 CURB AND GUTTER PROJECT**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, entered into an agreement with Sumbera Excavating Co. for the 2011 Curb and Gutter Program; and

WHEREAS, the work on this project has been completed and the amount of work has been agreed upon and approved by the Engineer in the amount of \$219,085.13.

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 pay Sumbera Excavating Co. for the work completed and approved by the Engineer.
- SECOND: The accounts payable department is authorized to submit final payment to Sumbera Excavating Co. in the amount of \$119,968.25.
- THIRD: The above expenses shall be paid from the Local and Major Street Funds.

Warrant No. 430. Accept Warrant No. 430 as follows:

Vendor	Description	Fund	Amount
Michigan Municipal Risk Management Authority	Building and Property Insurance	General	\$138,211.00
Caledonia Charter Township	Caledonia Utility Fund Payment- July – September 2011	Water	\$ 20,166.27
Shiawassee County Sheriff	Owosso Police Department share of New Sungard-OSSI Server	General	\$ 5,387.00
Netarx	Network Engineering- September 2011	General	\$ 8,806.00
Brown & Stewart, PC	Professional Services-September 8, 2011 – October 17, 2011	General	\$ 9,913.24
		TOTAL	\$182,483.51

*Check Register. Receive and approve the Check Register for September 2011.

*Revenue & Expenditure Report. Accept the September 2011 Revenue & Expenditure Report.

Motion supported by Councilperson Cook.

Roll Call Vote.

AYES: Councilpersons Eveleth, Cook, Martenis, Mayor Pro-Tem Popovitch, Councilpersons Forster, Erfourth, and Mayor Frederick.

NAYS: None.

*Full text of the Check Register and Revenue & Expenditure Report are available in the Clerk's Office.

ITEMS OF BUSINESS

CITY MANAGER GOALS DISCUSSION

City Manager Crawford distributed his revised list of goals with measurables. There was some discussion as to whether all of the goals are achievable. There was consensus to review the document and bring it back for comment at a later meeting.

Councilperson Erfourth expressed his frustration with the process, saying Council was attempting to micro-manage the Manager. The comment led to a discussion on making clear expectations and providing measurable goals.

PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT

Mayor Frederick introduced the topic saying the limitation on health care spending was mandatory for State employers but was optional for local governments. He explained the three options the law provides as follows: the hard cap provides a limit for each of the three types of policies which cannot be exceeded on an annual basis, the 80/20 option requires employees to pay 20% of health care premiums, and the opt out allows municipalities to choose to opt out of the requirements with a 2/3's vote.

Human Resources Director Jessica Unangst noted employees currently have an average health care plan with some contributing towards premiums and others not, based in part of union contracts. Concern was expressed that requiring employees to contribute more toward their health care coverage could prove to be very burdensome for lower paid employees.

There were questions regarding how long the City could opt out of the requirements. Comments were made about gradually shifting toward an 80/20 policy, establishing a sliding scale for contributions based on wages, whether the City will lose employees to the new requirement, distributing the costs fairly between all bargaining units and non-union employees, and balancing employee concerns with what is best for the City.

Council asked to see "smoothed" numbers for the hard cap option, evenly distributing the burden between the three plan types.

COMMUNICATIONS

Gary Palmer, Building Official. September 2011 Building Department Report.

Gary Palmer, Building Official. September 2011 Code Violations Report.

Michael T. Compeau, Public Safety Director. September 2011 Police Department Report.

Michael T. Compeau, Public Safety Director. August/September 2011 Fire Department Report.

Owosso Planning Commission. Minutes of the Meeting of September 26, 2011.

Owosso Main Street/Downtown Development Authority. Minutes of Meeting of October 5, 2011.

CITIZEN COMMENTS AND QUESTIONS

Francis Kukulis, City employee, asked that Council members make an effort to read PA 152 themselves to make sure they understand its nuances before making a decision. She went on to note a number of items she felt were missing from the discussion and asked that Council consider them in their future discussions.

Eddie Urban, 601 Glenwood Avenue, said he noticed a lot of garbage bags at the dump site on Aiken Road. He also asked if the City would be spraying maple trees to treat the pest that causes brown spots on the leaves.

Shelva Cebulski, 1243 Marion Street, said she liked Nixle when the City had it and she misses the service. She went on to say she received a recorded call the night before from police dispatch asking her to be on the look out for an elderly man that was suspected lost in the area. She thought the call a prank at first and said the service should be more publicized so others take the calls seriously.

Sarah Warren-Riley, City employee, said she appreciated Council's efforts to look at the full health care picture.

Mayor Frederick said he appreciated City employees coming to the meeting and commenting on the health care issue. He said he felt their pain and wants to be fair in any decision they reach.

Mayor Pro-Tem Popovitch said she was happy it was pointed out some City employees are not represented by a union.

Director of Human Resources Unangst noted any health care decisions made by Council regarding PA 152 would not be negotiable by the unions.

NEXT MEETING

Monday, November 7, 2011

BOARDS AND COMMISSIONS OPENINGS

Historical Commission, term expires 12-31-2011

ADJOURNMENT

Motion by Councilperson Eveleth for adjournment at 10:211 p.m.

Motion supported by Councilperson Martenis and concurred in by unanimous vote.

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk



Reprinted from the
meeting of
October 17, 2011

301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

Date: October 13, 2011

To: City council

From: Donald Crawford, city manager

Re: Proposed foreclosed and vacant property ordinance

Owosso has seen a sharp increase in the number of abandoned residential properties, due to the foreclosure crisis and resulting economic downturn. Currently, it is estimated that approximately 80 single family units are under foreclosure in the city. These properties are often neglected and left to deteriorate, consequently impacting the quality of life for the surrounding neighborhood and negatively impacting property values. The city is currently struggling with its existing tools to adequately address the problems presented by vacant, foreclosed properties and an ordinance is being proposed to directly address this problem.

Foreclosed properties are remaining vacant, in part, due to a lengthier than normal foreclosure process. With so many properties going into foreclosure, banks and mortgage lenders are struggling to keep up. Considering that a property often begins to deteriorate as soon as a borrower defaults on his or her mortgage, a foreclosed property in Owosso can be neglected and/or vacant for upwards of 27 months. Abandoned, foreclosed properties result in health and safety risks, increased crime and blight, depressed property values, higher insurance premiums and decreased local revenues. Neglected properties can become sites of public nuisances that lead to environmental problems for the neighborhood, and serve as a target for fire, vandalism, squatters, and criminal activity. Properties can suffer as much as \$7,600 in reduced property values when situated within 150 feet of an abandoned property according to one study.

Owosso's code enforcement program enforces property maintenance codes and property nuisance abatement. This program gives the city authority to clean, maintain, repair and secure private property. The city is having a hard time relying on solely on existing code enforcement tools. In cases of abandoned and foreclosed properties however, the property is not occupied and does not have an owner. Without an owner, it is difficult to identify and locate the property beneficiary, the lender or bank that is responsible for the property. Even when the correct beneficiary can be identified, it is most likely located at some distant place like Chicago, Dallas, Los Angeles or New York City and it may be difficult to locate the name and phone number of a responsible person within the lending institution who can make decisions for the property. A new tool is necessary.

Communities are addressing this problem by adopting ordinances directly aimed at foreclosed and vacant properties which require legal owners of vacant property acquired through the foreclosure process to maintain the property adequately, and authorizes local governments to impose fines for failing to do so.

The proposed ordinance will:

- . Establish and define owner responsibilities for abandoned, foreclosed residential properties
- . Establish that the failure to maintain abandoned, foreclosed properties will constitute a public nuisance
- . Require beneficiary owners of abandoned, foreclosed properties to register with the city
- . Require beneficiary owners to obtain local property management
- . Impose registration fees and provide for civil penalties

While the proposed ordinance will not directly reduce the number of abandoned, foreclosed properties, it will provide city staff with a new regulatory tool that will aid community preservation efforts. The proposed ordinance allows for intervention before significant decline can occur and will lessen the amount of staff time and resources spent tracking down beneficiary information. More resources dedicated to these properties will yield increased chances that these properties will be sold to owner-occupants more quickly, thereby decreasing the time the properties remain vacant.

The proposed ordinance will not apply to registered rental property and to maintained property which serves as second homes, dwellings where residents are on vacation, in nursing homes or being renovated under a valid building permit. Likewise, the ordinance does not apply to commercial and industrial property which is another entire issue.

Enacting the proposed ordinance will move Owosso closer to meeting its city council set priorities for the year of crime reduction, increased public safety and increased community cleanliness.

With the adoption and implementation of the proposed ordinance, there will be significant consequences for lenders and other beneficiaries, intermediaries hired by lenders and other beneficiaries, and the city. Most lenders and beneficiaries will need to a system and procedure to comply with the proposed ordinance. These activities may ultimately have an impact on lenders' and beneficiaries' profit margins. There will be a significant increase in the amount oversight responsibility, out-of-pocket expenses and need for heightened levels of insurance for the agents beneficiaries often hire to manage the properties.

These new requirements may deter property agents from taking these properties if lenders and other beneficiaries do not provide adequately for the costs of complying with the proposed ordinance. The registration component of the ordinance in particular will create a new work burden for the city's already thinly stretched staff and may require a shift of priorities from other community abatement efforts to properties falling under the ordinance.

In order to increase the likelihood of success and allow for an eventual evaluation of the ordinance, the following recommendations have been made:

- . Case data must be collected and tabulated frequently in a database.
- . Fees and penalties must be imposed and collected where violation of the ordinance exists.
- . Vacant property information must be shared with public safety personnel to increase monitoring for eligible properties.

Attached is a listing of known Michigan communities which have adopted a similar ordinance.

Michigan Communities with Vacant and Foreclosed Property Ordinances--October 1, 2011

City/County	State	Fees	Status	Enacted Date	Registration Timeframe
Ann Arbor	MI	none	Enacted		Upon vacancy
Auburn Hills	MI	\$129reg; \$155 inspection annually	Enacted		30 days
Battle Creek	MI	n/a	Enacted	9/20/2005	
Berkley	MI	\$200	Enacted	3/1/2010	90 days
Birmingham	MI	\$100	Enacted	9/11/2000	180 days
Bloomfield Hills	MI	\$25 plus \$75 for inspection	Enacted	7/19/2009	30 days
Brighton	MI	n/a	Proposed		
Brownstown Twp	MI	see attachment	Enacted	3/15/2010	30 days
Burton	MI	\$50 annually	Enacted	5/18/2009	Within 10 days of notice from city.
Canton	MI	\$110	Enacted	1/21/2010	30 days
Chesterfield Twp	MI	\$250	Enacted		30 days
Clawson	MI	\$100	Enacted	8/4/2009	Upon abandonment
Clinton Township	MI	\$25 annually to reg; \$10 / month monitoring fee	Enacted		10 days
Dearborn	MI	\$150 annually	Enacted	4/30/2008	90 days
Detroit	MI	TBD	Proposed		
Eastpointe	MI	\$250	Enacted	9/7/2010	45 days
Farmington	MI	\$250	Enacted		10 days
Fenton	MI	TBD	Proposed		
Ferndale	MI	None	Enacted	10/27/2008	90 days
Flat Rock	MI	Registration Fee \$100 and \$400 Inspection Fee	Enacted	6/10/2010	28 days
Flint Township	MI	\$100.00 annually	Enacted	9/9/2008	10 days
Fraser	MI	\$25.00 registration fee and \$10.00 monthly inspection fee	Enacted	5/14/2009	10 days
Genesee Township	MI	\$150	Enacted		10 days
Grand Rapids	MI	Escalating fee schedule	Enacted		30 days
Grosse Pointe Woods	MI	\$200	Enacted	8/1/2010	10 days
Harrison Township	MI	\$50	Enacted	4/27/2009	30 days
Hazel Park	MI	\$225 one time fee \$25 monthly fee for each month the property is vacant	Enacted	8/17/2009	
Inkster	MI	n/a	Proposed		n/a
Kalamazoo	MI	Escalating fee schedule	Enacted	2/1/2003	30 days. Or 10 days of notice from city.
Keego Harbor	MI	\$250 for registration; \$150 for Inspection	Enacted	5/21/2009	10 days
Lenox	MI	n/a	Proposed		n/a
Livonia	MI	\$35/month	Enacted	10/8/2009	
Macomb Twp	MI	\$175	Enacted	7/12/2010	30 days of vacancy or within 10 days of inspection
Mount Clemens	MI	No Fee	Enacted		
Muskegon	MI	none the first year	Enacted		90 days
Plymouth Township	MI	\$100 + township expenses	Enacted	6/23/2009	30 days
Redford Township	MI	\$300	Enacted	4/11/2006	180 days
Rochester	MI	\$50 Registration fee plus \$15 inspection fee	Enacted	1/10/2011	45 days from vacancy
South Lyon	MI	n/a	Proposed		n/a
Southfield	MI	\$150	Enacted		45 days
Southgate	MI	\$240	Enacted	7/21/2010	15 days following vacancy
Trenton	MI	\$80	Enacted	6/2/2009	
Warren	MI	\$200 initially; \$125 for renewal	Enacted	7/14/2009	10 days
Washington Township	MI	n/a	Proposed		n/a
West Bloomfield	MI	\$425	Enacted	6/1/2009	see bill
Woodhaven	MI	\$500 monthly	Enacted	4/20/2010	within 15 days of vacancy
Wyoming	MI	\$50/MONTH if property is in violation	Enacted		see bill
Ypsilanti	MI	Registration fee; inspection and escrow account fee	Enacted	12/3/2002	upon vacancy

ORDINANCE NO. ____

**AN ORDINANCE TO REQUIRE ABANDONED OR FORECLOSED PROPERTY
REGISTRATION AND MAINTENANCE**

AN ORDINANCE to amend Sections 08-160 through 08-176, naming a new Article VIII, *Registering Abandoned and Foreclosed Homes*, Chapter 8, Buildings and Building Regulations, to insure the health, safety and welfare of the residents of the city of Owosso, by preventing blight, protecting property values and neighborhood integrity, avoiding the creation and maintenance of nuisances and ensuring safe and sanitary maintenance of structures, and repealing all ordinances and/or resolutions in conflict therewith.

WHEREAS, the City of Owosso has been hit particularly hard by the recent recession; and

WHEREAS, the recession has lead to a large increase in foreclosed and abandoned homes in the City; and

WHEREAS, foreclosed and abandoned homes are many times subject to neglect bringing down property values and presenting a health and safety risk to the neighborhoods they are a part of; and

WHEREAS, the City needs a mechanism to track foreclosed and abandoned homes to prevent them from becoming nuisances.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Owosso, Michigan that all foreclosed and abandoned homes in the City of Owosso be registered in accordance with Article VIII, *Registering Abandoned and Foreclosed Homes*, of Chapter 8, Buildings and Building Regulations, as follows:

THE CITY OF OWOSSO ORDAINS:

SECTION 1. Short Title.

This Ordinance shall be known and cited as the *City of Owosso Abandoned or Foreclosed Property Registration and Maintenance Ordinance*.

SECTION 2. Secs 8-160 through 8-176 shall read as follows:

Sec. 8-160. Purpose.

It is the purpose and intent of the city of Owosso, through the adoption of this article, to establish an abandoned residential property registration program as a mechanism to protect residential neighborhoods from becoming blighted through the lack of adequate maintenance and security of abandoned properties.

Sec. 8-161. Definitions.

For the purpose of this article, certain words and phrases are defined as follows:

Abandoned means a property that is vacant and is under a current complaint for foreclosure or notice of foreclosure and/or notice of trustee's sale, pending tax sale, and/or properties that have been the subject of a foreclosure sale where the title was retained by the beneficiary of a mortgage involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale.

Accessible property means a property that is accessible through a compromised/breached gate, fence, wall, etc.

Accessible structure means a structure/building that is unsecured and/or breached in such a way as to

allow access to the interior space by unauthorized persons.

Agreement means any agreement or written instrument which provides that title to residential property shall be transferred or conveyed from one owner to another owner after the sale, trade, transfer, or exchange.

Assignment of rents means an instrument that transfers the beneficial interest under a mortgage from one lender/entity to another.

Beneficiary means a lender under a note secured by a mortgage.

Buyer means any person, co-partnership, association, corporation, or fiduciary who agrees to transfer anything of value in consideration for property described in an agreement of sale, as defined in this section.

Dangerous building means any building/structure that is in violation of any condition referenced in chapter 8 of this Code.

Days means consecutive calendar days.

Deed in lieu of foreclosure/sale means a recorded document that transfers ownership of a property from the trustor to the holder or a mortgage upon consent of the beneficiary of the mortgage.

Default means the failure to fulfill a contractual obligation, monetary, or conditional.

Distressed means a property that is under a current notice of default and/or notice of trustee's sale and/or pending tax assessor's lien sale or has been foreclosed upon by the trustee or has been conveyed to the beneficiary/trustee via a deed in lieu of foreclosure/sale.

Evidence of vacancy means any condition that on its own or combined with other conditions present would lead a reasonable person to believe that the property is vacant. Such conditions include, but are not limited to, overgrown and/or dead vegetation, accumulation of newspapers, circulars, flyers and/or mail, past due utility notices and/or disconnected utilities, accumulation of trash, junk and/or debris, the absence of window coverings such as curtains, blinds and/or shutters, the absence of furnishings and/or personal items consistent with residential habitation, statements by neighbors, passersby, delivery agents, government employees that the property is vacant.

Foreclosure means the process by which a property, placed as security for a real estate loan, is sold at auction to satisfy the debt if the trustor (borrower) defaults.

Local means within forty (40) road/driving miles distance of the subject property.

Mortgage means an instrument by which title to real estate is transferred to a third party trustee as security for a real estate loan.

Neighborhood standard means those conditions that are present on a simple majority of properties within a three-hundred-foot radius of an individual property. A property that is the subject of a neighborhood standard comparison, and any other abandoned property within the three-hundred-foot radius, shall not be counted toward the simple majority.

Out-of-area means in excess of forty (40) road/driving miles distance of the subject property.

Owner means any person, co-partnership, association, corporation, or fiduciary having a legal or equitable title or any interest in any real property excluding governmental agencies.

Owner of record means the person having recorded title to the property.

Property means any unimproved or improved real property, or portion thereof, situated in the city and includes the buildings or structures located on the property regardless of condition.

Residential building means any improved real property, or portion thereof, situated in the city, designed, or permitted to be used for dwelling purposes, and shall include the buildings or structures located on such improved real property. This includes any real property being offered for sale, trade, transfer, or exchange as residential whether or not it is legally permitted and/or zoned for such use.

Secure or *secured* means such measures as may be directed by the city of Owosso building official or his or her designee that render the property inaccessible to unauthorized persons, including but not limited to the repairing of fences and walls, chaining/padlocking of gates, and the repair or boarding of doors, broken windows and/or other openings. In the case of broken windows, securing means the reglazing or boarding of the window. Boarding shall be completed or required. In addition, secure or secured means closing and locking windows, doors (walk-through, sliding and garage), gates and any other opening of such size that it may allow a person to access the interior of a property and/or structure(s).

Trustee means the person, firm, or corporation holding a mortgage on a property.

Trustor means a borrower under a mortgage, who deeds property to a trustee as security for the payment of a debt.

Vacant means a building/structure that is not legally occupied.

Sec. 8-162. Registration.

Any beneficiary/trustee, who holds a mortgage on a property located within the city, shall perform an inspection, to the extent permitted by law or under the mortgage, of the property that is the security for the mortgage, upon default by the trustor, within five (5) days after either filing a complaint for foreclosure (if foreclosure is by judicial action) or publishing a notice of foreclosure (if foreclosure is by advertisement). If the property is found to be vacant or shows evidence of vacancy, it is, by this article, deemed abandoned and the beneficiary/trustee shall, within ten (10) days of the inspection, register the property with the city of Owosso building official or his or her designee on forms provided by the city.

If the property is occupied but remains in default, it shall be inspected, to the extent permitted by law and the mortgage, by the beneficiary/trustee, or his designee, monthly until (1) the trustor or other party remedies the default or (2) it is found to be vacant or shows evidence of vacancy at which time it is deemed abandoned, and the trustee shall, within ten (10) days of that inspection, register the property with the city of Owosso building official or his or her designee on forms provided by the city.

In either case the registration shall contain the name of the beneficiary/trustee (corporation or individual), the direct street/office mailing address of the beneficiary/trustee (no P.O. boxes), a direct contact name and phone number for the beneficiary/trustee and, in the case of a corporation or out-of-area beneficiary/trustee, the local property management company responsible for the security, maintenance, and marketing of the property. Registration fees will not be prorated.

An annual registration fee shall accompany the registration form. The fee and registration shall be valid for the calendar year, or remaining portion of the calendar year, in which the registration was initially required. Subsequent registrations and fees are due January 1 of each year and must be received no later than January 31 of the year due.

This section shall also apply to properties that have been the subject of a foreclosure sale where the title was transferred to the beneficiary of a mortgage involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale. Such properties shall be registered with the city in accordance with the terms of this section upon transfer even if occupied at the time of transfer.

Properties subject to this article shall remain under the annual registration requirement, security, and

maintenance standards of this section as long as they remain vacant.

A person, firm, or corporation that has registered a property under this article must report any change of information contained in the registration to the city of Owosso building official within ten (10) days of the change.

Sec. 8-163. Maintenance requirements.

Vacant and abandoned properties subject to this section shall be, in comparison to the neighborhood standard, kept free of weeds, dry bush, dead vegetation, trash, junk, debris, building materials, any accumulation of newspapers, circular, flyers, notices, except those required by federal, state, or local law, discarded personal items including but not limited to furniture, clothing, large and small appliances, printed material or any other items that give the appearance that the property is abandoned.

The property shall be maintained free of graffiti, tagging, or similar markings by removal or painting over with an exterior grade paint that matches the color of the exterior of the structure.

Visible front and side yards shall be landscaped and maintained to the neighborhood standard at the time registration was required. Landscape includes, but is not limited to, grass, ground covers, bushes, shrubs, hedges or similar plantings, decorative rock or bark or artificial turf/sod designed specifically for residential installation. Landscape does not include weeds, gravel, broken concrete, asphalt, decomposed granite, plastic sheeting, mulch, indoor-outdoor carpet or any similar material.

Maintenance includes but is not limited to regular watering, irrigation, cutting, pruning, and moving of required landscape and removal of all trimmings.

Pools and spas shall be either kept in working order so the water remains clear and free of pollutants and debris or drained and kept dry or drained and covered. In either case properties with pools and/or spas must comply with the minimum security fencing requirements of the state of Michigan.

Adherence to this section does not relieve the beneficiary/trustee or property owner of any obligations set forth in any covenants, conditions, and restrictions and/or homeowners' association rules and regulations which may apply to the property.

Sec. 8-164. Security requirements.

Properties subject to this section shall be secured so as not to be accessible to unauthorized persons. If the property is owned by a corporation and/or out-of-area beneficiary/trustee/owner, a local property management company shall be contracted to perform weekly inspections to verify that the requirements of this section, and any other applicable laws, are being met.

The local property management company shall inspect the property on a weekly basis to determine if the property is in compliance with the requirements of this article.

Sec. 8-165. Additional authority.

In addition to the enforcement remedies established in this article or other chapters of the *Code of Ordinances*, the city of Owosso building official or his or her designee shall have the authority to require the beneficiary/trustee/owner and/or owner of record of any property affected by this section to implement additional maintenance and/or security measures including but not limited to securing any/all door, window, or other openings, installing additional security lighting, increasing on-site inspection frequency, employment of an on-site security guard or other measures as may be reasonably required to arrest the decline of the property.

Sec. 8-166. Fees.

The fee for registering an abandoned residential property shall be set by resolution of the city of Owosso.

Sec. 8-167. Failure to secure and maintain.

If a property has not been maintained or secured, the city and/or its contracted agent, may maintain and/or secure the property and assess costs to the owner, beneficiary or trustee.

Sec. 8-168. Re-occupancy.

A registered property may not be occupied until all outstanding costs, assessments and/or liens owed to the city have been paid in full.

Sec. 8-169. Violation/abatement.

Violations of this article shall be treated as a strict liability offense regardless of intent. Violations of this article may be enforced as allowed in this chapter. Alternatively, at the sole discretion of the city, the city may issue to the beneficiary/trustee/owner and/or owner of record a notice to abate. The notice to abate shall include:

- (1) The nature and location of the violation;
- (2) The time within which the violation must be abated;
- (3) Notice that the city may act to abate the violation if it is not abated by the owner within a reasonable time stated in the notice, but which may not exceed fifteen (15) days;
- (4) Notice that the cost of such action by the city, plus an administrative fee, shall be a personal debt of the owner, which may be assessed as a lien against the property until paid; and
- (5) Notice that any refusal to allow the city to abate an uncorrected violation shall be a separate violation under this Code.

Sec. 8-170. Authorization for city abatement.

Upon failure of a beneficiary/trustee/owner and/or owner of record to abate a violation as ordered in a notice to abate, the city may abate the nuisance. This abatement may be performed by the city, by a contract vendor, or by other means determined by the city.

Sec. 8-171. Administrative fees.

The fees necessary for the administration of this article shall be established from time to time by resolution of the city council. Such administrative fees shall include the following:

- (1) Notice to abate;
- (2) Search warrant;
- (3) Contact request or warning of abatement action;
- (4) Warning letter;
- (5) Civil infraction preparation;
- (6) Additional inspections;
- (7) Vending;
- (8) Second and subsequent vending;
- (9) Vehicle removal;
- (10) Second and subsequent vehicle removal; and
- (11) Denied entry.

Sec. 8-172. Charge for costs.

When the city has abated a cited nuisance, the cost of abatement, plus any applicable administrative charges as established by city council resolution, shall be billed to the property owner or beneficiary/trustee. Such billing shall be a personal debt of the owner to the city, which may be assessed as a lien against the property, including interest thereon, until paid.

Sec. 8-173. Appeals.

Any person aggrieved by any of the requirements of this section may appeal to the Owosso Building Board of Appeals, provided that a written application for appeal is filed within twenty (20) days after the day the decision, notice, or order was served. An application for appeal shall be based on a claim that the true intent of this Code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this Code do not fully apply, the requirements of this Code are adequately satisfied by other means, or the strict application of any requirement of this Code would cause an undue hardship.

Sec. 8-174. Owner, unoccupied premises.

If a property is not in foreclosure but is otherwise unoccupied, the owner shall comply with all of the following:

- (1) Maintain the property in accordance with section 8-163 herein and article VI of this chapter.
- (2) Register the property in accordance with section 8-162
- (3) Responsible for the fee identified pursuant to section 8-166 herein.
- (4) Keep the property secure in accordance with sections 8-164 and 8-165 herein.
- (5) Not permit re-occupancy until all outstanding costs, assessments and/or liens owed to the city are paid in full.
- (6) If the owner leases or lets the property, the owner shall comply with article VII of this chapter in addition to the requirements herein.

Sec. 8-175. Exempt properties.

Properties currently registered with the City as a rental dwelling unit in accordance with Section VII of this Chapter are exempt from the *City of Owosso Abandoned or Foreclosed Property Registration and Maintenance Ordinance*.

Sec. 8-176. Penalty.

Violation of this article is a civil infraction wherein a fine of up to five hundred dollars (\$500.00) may be assessed for each violation.

Section 3: Renumbering of Articles VIII, IX & X.

The current Article VIII, *Numbering of Buildings*, will become Article IX, *Numbering of Buildings*, with Sections 8-161 and 8-162 becoming Sections 8-190 and 8-191 respectively, the text to remain as written.

The current Article IX, *Historic Districts*, will become Article X, *Historic Districts*.

Section 4: Severability.

If any section, subsection, sentence, clause or phrase of this article is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this article. The city hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one (1) or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

Section 5: Effective Date.

This ordinance shall take effect 20 days after passage.

Section 6: Inspection.

This Ordinance may be purchased or inspected in the City Clerk's Office Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.



Memo reprinted from
the meeting of
October 17, 2011

301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: October 12, 2011

TO: Mayor Benjamin Frederick, City Council, and Manager Don Crawford

FROM: Larry Cook, Assessor

RE: Tax Abatement Application – Midwest Bus Corporation – 1070 Aiken Rd.

On May 19, 2011, the city clerk received an application for Tax Abatement from Midwest Bus Corporation, owners of 1070 Aiken Road, and an application for a Rehab IFT was received this week. It is the intention of the owner to make a serious investment into this facility by making repairs and renovations for use as warehouse support to their current operations on West Stewart Street. These improvements are also being made to house future manufacturing operations.

An Industrial Facilities Tax Exemption Certificate, Act 198 of 1974, is a tax abatement which reduces the tax burden by 50%. This exemption can be granted for up to 12 years.

A Plant Rehabilitation District for this property was established 6/20/11. The next step in the process is to set the November 7, 2011 public hearing for the IFT. The city clerk has notified the taxing jurisdictions of this application as required under the city's abatement policy and as required under the act and will forward any responses to you.

As always, if you have any further questions, please feel free to contact me at (989) 725-0530.

Abatement Schedule

This schedule applies to Industrial or Commercial Property as defined in 211.34c of the General Property Tax Act

	Years of tax abatement	Rehabilitated/restored
1. Capital investment \$Up to \$100,000 \$100,001 to \$250,000 129,438 ± \$250,001 to \$500,000 \$500,001 to \$1,000,000 \$1,000,001 to \$2,500,000 \$2,500,001 to \$5,000,000 \$5,000,001 and up	1 2 + 2 3 4 5 6 7	Rehabilitated/restored additional two years in any capital investment
2. Job creation as Full Time Equivalent (40hrs.per week) 1-10 11-25 26-50 50+ 51 and up	2 3 4 5	
3. Job wages Min wage = 7.40 Average wage > 1.5x minimum wage 11.00 Average wage > 2x minimum wage Average wage 14.80 wage > 3x minimum wage 22.70	2 3 4 6	1st Tier $10.67 = 17.56$ (14.12) 2nd Tier $7.93 = 11.60$ (9.76)
4. Number of years located in city of Owosso 2-10 11-15 16 and up 30±	1 2 3	
5. Employees with city of Owosso residency 1-10 11-25 21 26+ 10 more Owosso area	1 2 3	

16 (12 yr max)

Note: Total number of tax abatement years shall not exceed statutory limits.

RESOLUTION APPROVING AN IFE APPLICATION
Midwest Bus Corporation
1070 Aiken Road

Minutes of a regular meeting of the City Council of the City of Owosso, held on November 7, 2011, at City Hall, 301 W. Main Street, Owosso, MI, 48867, at 7:30 p.m.

PRESENT:

ABSENT:

The following resolution was offered by:
and supported by:

Resolution Approving Application of Midwest Bus Corporation for Industrial Facilities Exemption Certificates for Real and Personal Property.

WHEREAS, pursuant to PA 198 of 1974, as amended, after a duly noticed public hearing held on June 20, 2011, this City Council, by resolution established a Plant Rehabilitation Development District; and

WHEREAS, Midwest Bus Corporation has filed an application for Industrial Facilities Exemption Certificates with respect to real and personal property within the Plant Rehabilitation District; and

WHEREAS, before acting on said application, the City of Owosso held a hearing on November 7, 2011, in City Hall, at 301 W. Main Street, Owosso, MI, 48867, at 7:30 p.m. at which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of and/or acquisition of the real and personal property had not begun earlier than six (6) months before October 12, 2011, the date application received for the Industrial Facilities Exemption Certificates; and

WHEREAS, construction of the real property and acquisition of the personal property is calculated to and will, at the time of issuance of the certificates, have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Owosso; and

WHEREAS, the aggregate SEV of property exempt from ad valorem taxes within the City of Owosso, after granting this certificates, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of Owosso that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificates considered together with the aggregate amount of certificates previously granted and currently in force under PA 198 of 1974, as amended and PA 225 of 1978, as amended shall not have the effect of substantially impeding the operation of the City of Owosso, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Owosso.

2. The application from Midwest Bus Corporation for the Industrial Facilities Exemption Certificates, with respect to Real and Personal Property on the following described parcel of real property situated within the Plant Rehabilitation District, to wit:

LOT 8 OWOSSO SOUTHEAST INDUSTRIAL PARK

is hereby approved.

3. The Industrial Facilities Exemption Certificates, when issued, shall be and remain in force for a period of 12 years.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of City of Owosso, County of Shiawassee, Michigan, at a regular meeting held on November 7, 2011.

Clerk's Signature

**INDUSTRIAL FACILITIES EXEMPTION CERTIFICATES (“IFEC”)
LETTER OF AGREEMENT**

This agreement between **Midwest Bus Corporation** and **City of Owosso** is for the purpose of fulfilling the requirements of P.A. 198, as amended, in P.A. 224, Section 22. In consideration of approval of these exemption certificates, **Midwest Bus Corporation** understands that through its investment of \$159,438 real property and \$60,000 personal property and the **City of Owosso**, by its investment of the IFEC's, are mutually investing in and benefiting from this economic development project, and, furthermore, agree to the following:

1. The company shall supply to the City of Owosso-within 60 days of its first year of IFEC eligibility-information regarding the processes taking place on the premises and of any metals, gas or liquids used in that processes or stored on the premises. In addition any changes in those processes, use of materials or storage shall be reported to the City as they occur for the entire term of the certificate.

2. The Company understands that at the end of the term of this agreement, the real and personal property within the application will return to the tax rolls under the full millage assessment applied by the taxing jurisdictions. This provision is to make clear that the inducement to provide tax forgiveness on the real and personal property is a limited privilege in return for new jobs and new investment in the Owosso area, and that the plan of this agreement is to return this tax abated property into full participation in the support of community services, infrastructure, and public education.

3. The Company agrees to submit to the City Assessor reports, personal property tax statements, and employment information in accordance with the provisions of the Addendum attached to this Agreement.

We swear and affirm by our signatures below that no payment of any kind in excess of the fee allowed by PA 198 of 1974, as amended by PA 323 of 1996, has been made or promised in exchange for favorable consideration of an exemption certification application.

This agreement is assignable and transferable by either party with advance written consent. The agreement may only be altered upon mutual consent of both parties.

Midwest Bus Corporation (Company”)

Date

Benjamin R. Frederick, Mayor
City of Owosso

Date

IFT AGREEMENT ADDENDUM

RESPONSIBILITIES OF THE COMPANY AFTER ISSUANCE OF AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE (IFEC)

1. *Report significant changes in the project to the local governing unit and the State Tax Commission as follows:*
 - a. Abandonment of Project: When a project for which an IFEC has been issued is abandoned, the company shall notify the local governing unit within 30 days of such abandonment. The local governing unit shall notify the State Tax Commission, in writing, within 10 days of receipt of the notification of such abandonment.
 - b. Delay of Project: When there is no construction progress for 180 days, the company shall notify the local governing unit within 210 days from the cessation of construction activity. The local governing unit shall notify the State Tax Commission, in writing, within 10 days of receipt of the notification of such delay.
 - c. Extension of Time: A request for an extension of time for completion of a project shall be filed with the local governing unit. The local governing unit must approve the extension by resolution. The company must then forward the extension request to the State Tax Commission with a copy of the local resolution of approval enclosed.
 - d. Change in Project Cost: If the final cost of a project exceeds the amount estimated in the application by more than 10%, the company shall request that the local governing unit approve the revised cost. The local governing unit must approve the revised cost by resolution. The company must then forward the request to exceed estimated cost to the State Tax Commission with a copy of the local resolution of approval enclosed.
2. *Report date of completion of the project to the local governing unit and the State Tax Commission within 30 days of completion.*
3. *Report final cost of project to local governing unit and the State Tax Commission within 90 days of completion.*
4. *Yearly property tax statements for the Industrial Facilities Tax must be submitted separately to the local assessor. The Industrial Facilities Tax must be paid on time and cannot become delinquent.*
5. *Certification for leased projects will be issued for the term of the real estate lease. Upon renewal of the lease, the company must notify the State Tax Commission in order for the State Tax Commission to extend the term of the certificate to the maximum number of years approved by the local governing unit.*
6. *If the company is sold, the new owner may qualify for a transfer of any existing IFEC. The new owner may notify the City of Owosso, or the State Tax Commission, to ascertain qualification for such a transfer. To obtain approval for the transfer, the new owner must submit a new IFEC application to the local governing unit as soon as possible.*

7. Reports to the local governing unit must be made by the company according to the following schedule:
- a. Immediately following the second year after the issuance date of the IFEC, and no later than the following January 10th of that second year, a report shall be submitted stating the following:
 - 1) Number of new jobs stated as expected in the IFEC application.
 - 2) If IFEC was granted on basis of job retention, number of employees stated in the application, and current number of employees.
 - 3) If job creation or retention is not reached or maintained as given in the application, give explanation.
 - 4) Give project cost as estimated in the application and the actual cost.
 - 5) If actual project cost differs more than 10% from estimated cost, give explanation.
 - b. Immediately following the sixth year after the issuance date of the IFEC, and no later than the following January 10th, a report shall be submitted stating the number of jobs expected as stated in the application and current number of employees. If employment has not been maintained at the expected level as stated in the IFEC application, give explanation.
 - c. Immediately following the completion of the term of the IFEC, the Company shall submit a final status report no later than the January 10th following that date. The report shall contain the expected number of employees stated in the original application; an explanation if the expected level of employment was not reached or maintained; and a brief statement of the current status of the Company, describing growth, if any, of the Company since issuance of the IFEC. If growth has not been experienced, provide explanation.

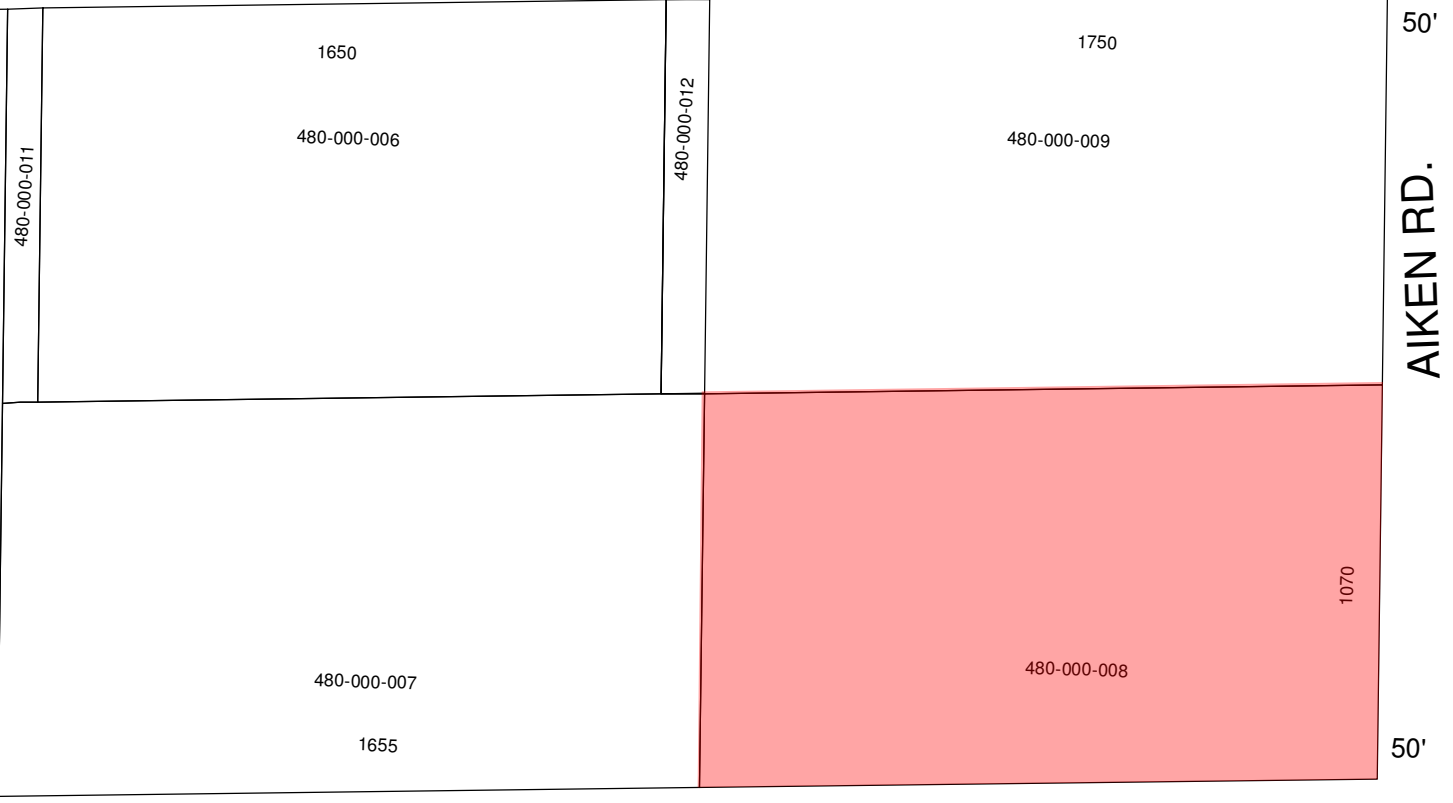
The City of Owosso will be happy to assist you with the foregoing requirements. The addresses of our department and the State Tax Commission are listed below.

Mr. Larry Cook, City Assessor
City of Owosso
301 W. Main Street
Owosso, MI 48867

_____, Manager
Exemption Program/Dept. of Treasury
State Tax Commission
4th Floor, Treasury Building
Lansing, Michigan

SOUTH ST.

60'

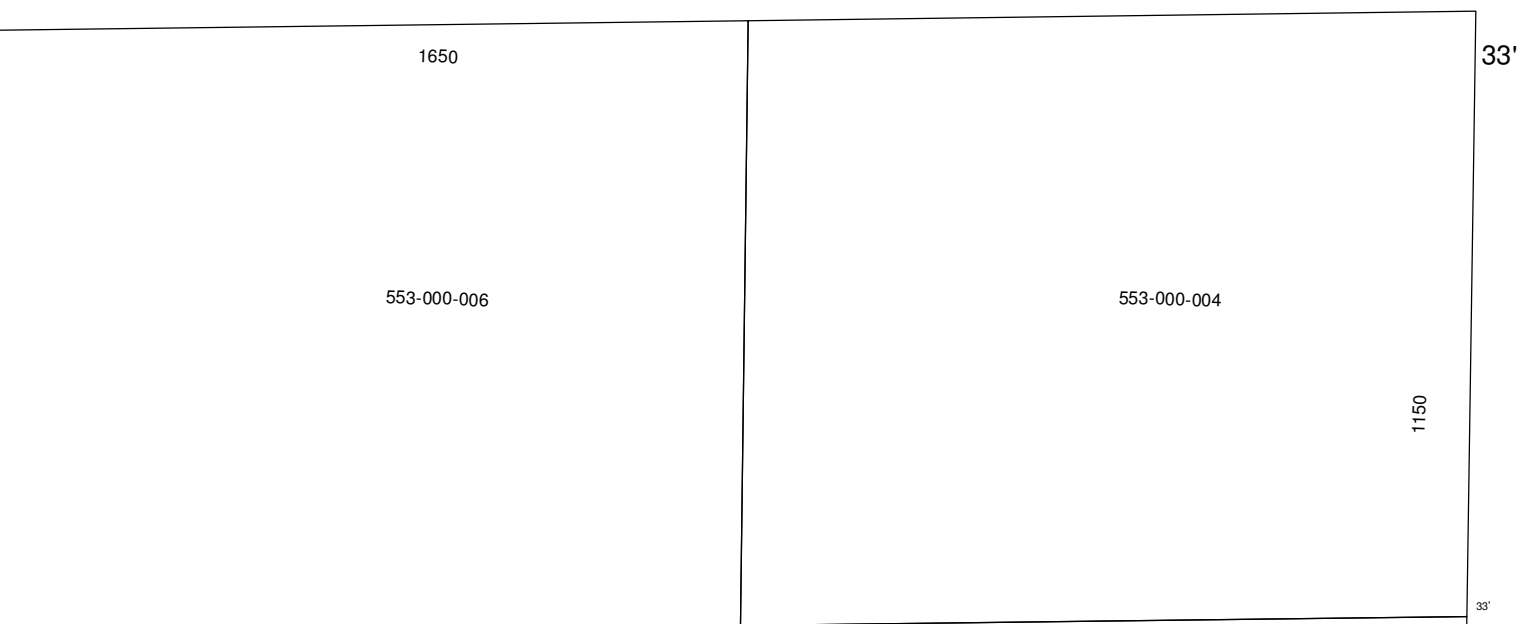


50'

AIKEN RD.

50'

60'



33'

33'



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: October 21, 2011

TO: City Council

FROM: Michael Compeau
Director of Public Safety

RE: Traffic Control Order No# 1260

A request was made of City Engineer Ron Baker and myself to examine the parking on North Oak St. that leads into the Emerson School parking lot. Upon reviewing this it was noticed that vehicles were parking on both sides during school hours causing difficulty for two vehicles to pass each other and generally traffic.

Recommend council approve Traffic Control Order No.1260 "No Parking 8:00am to 5:00pm School Days Only".

CITY OF OWOSSO

TRAFFIC CONTROL ORDER

(SECTION 2.53 UNIFORM TRAFFIC CODE)

ORDER NO.	DATE	TIME
1260	10/21/11	4:09 PM

REQUESTED BY
Ron Baker - City Engineer
Michael Compeau – Director of Public Safety

TYPE OF CONTROL
No parking 8:00 AM to 5:00 PM School Days Only.

LOCATION OF CONTROL
North Oak Street that leads into Emerson School Parking Lot.

APPROVED BY COUNCIL _____ 20 _____

REMARKS



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: November 7, 2011

TO: OWOSSO CITY COUNCIL

FROM: Ronald Baker, Director of Public Services

RE: Final payment and Change Order No. 1 for 2011 Street Program

All the work is done on the 2011 Street Program. This included the completion of the paving of all the streets in the Osburn Lakes Subdivision, the paving of two alleys, the reconstruction of six residential streets, and 25 skip patches that filled low areas of the street to the curb line which eliminated standing water in those areas.

The largest area of extra cost in the change order of \$43,316.69 occurred in the capping of the streets in the Osburn Lakes Subdivision. We had estimated the thickness of the asphalt would be about 2" cap. Because of the rutting and pavement settlement over the seven years since it was originally paved, it took about 3" of asphalt or about \$30,000 more than planned. The North Park Street Parking Lot was paved and it required about \$8,000 more asphalt than planned to eliminate the low spots and to get it to drain better. The alley next to Carl Rossman's insurance building was added after the bids were received, this added an additional \$2,000.

Because of the lower than expected bid prices for the original projects included in the program, we are still below the Local and Major Street Construction budget limits. We have completed a lot of long needed street improvements this year and we look forward to continuing to make more improvements next year.

We recommend Council approve Change Order Number 1 in the amount of \$43,316.69 and Final Payment of \$53,326.34 to Ace Asphalt for the final payment for the 2011 Street Program.

RESOLUTION NO. _____

**AUTHORIZING CHANGE ORDER NO. 1
ACE ASPHALT & PAVING CO.
FOR WORK RELATED TO
THE 2011 STREET PAVING PROGRAM**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, entered into an agreement with Ace Asphalt & Paving Co. for the 2011 Street Paving Program; and

WHEREAS, the work on this project has been completed and Change Order No.1 in the amount of \$43,316.69 involving additional asphalt paving has been done to take advantage of the low unit prices.

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 pay Ace Asphalt & Paving Co. for the additional construction items as shown in Change Order No. 1.

SECOND: The accounts payable department is authorized increase the purchase order for the 2011 Street Paving Program by the amount of \$43,316.69 as shown in change order no. 1.

THIRD: The above expenses shall be paid from the Local and Major Street Construction Funds.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO,
SHIAWASSEE COUNTY, MICHIGAN THIS 7th DAY OF NOVEMBER, 2011.

Amy K. Kirkland, City Clerk

RESOLUTION NO. _____

**AUTHORIZING FINAL PAYMENT TO
ACE ASPHALT & PAVING CO.
FOR WORK RELATED TO
THE 2011 STREET PAVING PROGRAM**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, entered into an agreement with Ace Asphalt & Paving Co. for the 2011 Street Paving Program; and

WHEREAS, the work on this project has been completed and the amount of work has been agreed to and approved by the Engineer in the amount of \$305,522.49.

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 pay Ace Asphalt & Paving Co. for the work completed and approved by the Engineer.
- SECOND: The accounts payable department is authorized to submit a final payment to Ace Asphalt & Paving Co. in the amount of \$53,326.34.
- THIRD: The above expenses shall be paid from the Local and Major Street Construction Funds.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO,
SHIAWASSEE COUNTY, MICHIGAN THIS 7th DAY OF NOVEMBER, 2011.

Amy K. Kirkland, City Clerk

**CITY OF OWOSSO
CONTRACT CHANGE ORDER NO. 1-FINAL**

TO: Ace Asphalt & Paving Company

Date: 11/3/2011

CONTRACT: 2011 Street Paving Program

PROJECT NO.: _____

You are hereby requested to comply with the following changes from the contract plans and specifications:

1 Item No.	2 Description of Changes - Quantities, Units, Unit Prices, Change in Completion Schedule, Etc.	3 Decrease Contract Price	4 Increase Contract Price
1	(+2346.5 SYD of Cold Milling @ \$3.35/ SYD)		\$7,860.61
2	(- 7.31 Ton of Skip Patches @ \$115.00/Ton)		\$840.65
3	(-2 EACH of Manhole Adjstment @ \$250.00/EACH)	\$500.00	
4	(-12 EACH of Water Valve Adjustment @ \$100.00/EACH)	\$1,200.00	
5	(-4 EACH of Provide, Adjust and Install E. J. 1120 casting @ \$720.00)	\$2,880.00	
6	(+13.7 Ton of Residential Street Paving @ \$ 55.40/TON)		\$758.98
7	(+522.85 Ton of Osburn Lakes Subdivison Paving @ \$ 57.35/TON)		\$29,985.45
8	(+132.41 Ton of Parking Paving @ \$ 59.20/TON)		\$7,838.67
9	(+26.37 Ton of Alley Paving @ \$ 60.80/TON)		\$836.61
10	(-1178 Gal of Bond Coat @ \$0.01/GAL)	\$11.78	
12	(-4.25 VFT of Manhole Reconstruction @ \$50.00/ VFT)	\$212.50	
Change in contract price due to this Change Order			
Total Decrease		(\$4,804.28)	
Total Increase		XXXXXXXXXXXXXX	\$48,120.97
Difference between Co. 3 & 4			\$43,316.69
Net DECREASED contract price			\$43,316.69

Original Contract Price:	\$ 262,205.80
Total Net Addition or Deduction by previous C.O. No.	\$ -
Total Amount of Contract Prior to this Change Order: 1	\$ 262,205.80
Net Addition or Deduction this Change Order No.: 1	\$43,316.69
Net Amount of Contract to date:	\$ 305,522.49

This time provided for completion in contract is **(unchanged)** (increased) (decreased) by 0 calendar days. This document shall become an amendment to the contract and all provisions of the contract will apply hereto.

Recommended by: _____

Approved by: _____

Accepted by: _____

**PERIODIC COST ESTIMATE
CITY OF OWOSSO
301 W. MAIN
OWOSSO, MI 48867**

1. Estimate No.:

4

4. Date Prepared

10/14/2011

5. Period Ending

10/12/2011

2. Sponsor's Name **CITY OF OWOSSO** 3. Sponsor's Address **301 W. MAIN
OWOSSO, MI 48867** 6. Project No.

7. Name of Project **2011 STREET PAVING PROGRAM** 8. Location of Project
Bradley, Cass, Cedar, Clinton, Genesee,
Howell, Parking, Osburn Lake & Alley 9. State:

10. Name of Contractor **Ace Asphalt** 11. Address of Contractor
**115 S. Averill Ave.
Flint MI 48506** 12. Work Performed Under:
Lump Sum Contract:
Unit Price Contract:
Force Account:

13. Description of Work 14. Sponsor's Contract No.

15. Original Estimated Cost this
Contract or Force Account
\$262,205.80
16. Completion Time:
17. Percent Physical Completion

18. Dates

a. Notice to Proceed	b. Work to Commence	c. Completion Date	d. Est. or Actual Completion 117%	19. No of Days Contractor is
				a. Ahead b. In Arrears

20 Item No.	21. Description of Item	22. LATEST REVISED DETAILED ESTIMATE				23. WORK PERFORMED TO DATE		
		a. Quantity	b. Unit	c. Unit Price	d. Amount	a. Quantity	b. Amount	c. %
1	Cold Milling	4050	SYD	\$ 3.35	\$ 13,567.50	6396.45	\$ 21,428.11	158%
2	Skip Patches	200	TON	\$ 115.00	\$ 23,000.00	207.31	\$ 23,840.65	104%
3	Manhole Adjustment	15	EACH	\$ 250.00	\$ 3,750.00	13	\$ 3,250.00	87%
4	Water Valve Adjustment	14	EACH	\$ 100.00	\$ 1,400.00	2	\$ 200.00	14%
5	Provide, Adjust and Install East Jordan 1120A Casting with Gasket Seal Cover	10	EACH	\$ 720.00	\$ 7,200.00	6	\$ 4,320.00	60%
6	Residential Street Paving	2000	TON	\$ 55.40	\$ 110,800.00	2013.7	\$ 111,558.98	101%
7	Osburn Lakes Subdivision Paving	1100	TON	\$ 57.35	\$ 63,085.00	1622.85	\$ 93,070.45	148%
8	Parking Paving	450	TON	\$ 59.20	\$ 26,640.00	582.41	\$ 34,478.67	129%
9	Alley Paving	100	TON	\$ 60.80	\$ 6,080.00	113.76	\$ 6,916.61	114%
10	Bond Coat	3330	GAL.	\$ 0.01	\$ 33.30	2152	\$ 21.52	65%
11	Construction Signing	1	LS	\$ 6,400.00	\$ 6,400.00	1	\$ 6,400.00	100%

24. CERTIFICATION OF CONTRACTOR

I hereby certify that the work performed and materials supplied to date, as shown on this periodic cost estimate, represent the actual value of accomplishment under the terms of this contract in conformity with approved plans and specification; that the quantities shown were properly determined and are correct; and that there has been full compliance with all labor provisions included in the contract identified above.

BY: _____

Date

Name of Contractor

Signature

Title

25. ACKNOWLEDGMENT AND CONCURRENCE OF PROJECT ENGINEER

I have examined this periodic cost estimate and concur in the certificate of the contractor.

Date

Signature, Project Engineer

PERIODIC COST ESTIMATE

CITY OF OWOSSO
301 W. MAIN
 OWOSSO, MI 48867

1. Estimate No.:

4

Items and Column are numbered to correspond to those on Page 1 of this form.

6. Project No.

7. Name of Project

2011 STREET PAVING PROGRAM

8. Location of Project

14. Sponsor's Contract No.

20
Item
No.

21. Description of Item

22. LATEST R E D

a.
Quantity

b.
Unit

c.
Unit
Price

d.
Amount

23. WORK PERFORMED TO DATE

a.
Quantity

b.
Amount

c.
%

12 Manhole Reconstruction

5

VFT.

\$ 50.00

\$ 250.00

0.75

\$ 37.50

15%

TOTAL

\$ 305,522.49

LESS RETAINAGE

\$ -

SUBTOTAL

\$ 305,522.49

LESS PREVIOUS PAYMENT

\$ 252,196.15

TOTAL DUE

\$ 53,326.34



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: November 7, 2011

TO: OWOSSO CITY COUNCIL

FROM: Ronald Baker, Director of Public Services

RE: Change Order No. 2 and final payment to One Way Asphalt for 2011 Street Patching Program

One Way Asphalt has completed the last of the street patches for this year. There were eight additional patches that were made since they were here in September. The sump line collector project created 3 patches, there were 4 water main repair patches and the street patch at Jerome and Oakwood for the water and sewer service to the Little League Concession Stand. The contract total of \$69,969.47 is \$1,921.47 more than the previously approved amount of \$68,048.00. All the additional patches will be paid for from the Water or Sewer Fund.

We recommend Council approve Change Order No. 2 for \$1,921.47 and final payment of \$3,245.74 to One Way Asphalt for the 2011 Street Patching Program.

RESOLUTION NO. _____

**AUTHORIZING CHANGE ORDER NO. 2
ONE WAY ASPHALT CO.
FOR WORK RELATED TO
THE 2011 STREET PATCHING PROGRAM**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, entered into an agreement with One Way Asphalt Co. for the 2011 Street Patching Program; and

WHEREAS, the work on this project has been completed and Change Order No.2 in the amount of \$1,921.47 involving additional street patching has been done to take advantage of the low unit prices.

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 pay One Way Asphalt Co. for the additional construction items as shown in Change Order No. 2.

SECOND: The accounts payable department is authorized increase the purchase order for the 2011 Street Patching Program by the amount of \$1,921.47 as shown in change order no. 2.

THIRD: The above expenses shall be paid from the Water and Sewer Funds.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO,
SHIAWASSEE COUNTY, MICHIGAN THIS 7th DAY OF NOVEMBER, 2011.

Amy K. Kirkland, City Clerk

RESOLUTION NO. _____

**AUTHORIZING FINAL PAYMENT TO
ONE WAY ASPHALT CO.
FOR WORK RELATED TO
THE 2011 STREET PATCHING PROGRAM**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, entered into an agreement with One Way Asphalt Co. for the 2011 Street Patching Program; and

WHEREAS, the work on this project has been completed and the amount of work has been agreed to and approved by the Engineer in the amount of \$69,969.47.

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 pay One Way Asphalt Co. for the work completed and approved by the Engineer on the 2011 Street Patching Program.

SECOND: The accounts payable department is authorized to submit a final payment to One Way Asphalt Co. in the amount of \$3,245.74.

THIRD: The above expenses shall be paid from the Water and Sewer Funds.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO,
SHIAWASSEE COUNTY, MICHIGAN THIS 7th DAY OF NOVEMBER, 2011.

Amy K. Kirkland, City Clerk

**CITY OF OWOSSO
CONTRACT CHANGE ORDER NO. 1-FINAL**

TO: One Way Asphalt

Date: 11/3/2011

CONTRACT: 2011 Street Patching Program

PROJECT NO.: _____

You are hereby requested to comply with the following changes from the contract plans and specifications:

1 Item No.	2 Description of Changes - Quantities, Units, Unit Prices, Change in Completion Schedule, Etc.	3 Decrease Contract Price	4 Increase Contract Price
1	4" Street Patches 678.96 sft. X \$2.83		\$1,921.47
	Change in contract price due to this Change Order		
	Total Decrease	\$0.00	
	Total Increase	XXXXXXXXXXXXX	\$1,921.47
	Difference between Co. 1 and 2		\$1,921.47
	Net INCREASED contract price		\$1,921.47

Original Contract Price:	\$ 33,048.00
Total Net Addition or Deduction by previous C.O. No. 1	\$ 35,000.00
Total Amount of Contract Prior to this Change Order: 2	\$ 68,048.00
Net Addition or Deduction this Change Order No.: 1	\$1,921.47
Net Amount of Contract to date:	\$ 69,969.47

This time provided for completion in contract is **(unchanged)** (increased) (decreased) by 0 calendar days. This document shall become an amendment to the contract and all provisions of the contract will apply hereto.

Recommended by: _____

Approved by: _____

Accepted by: _____

**PERIODIC COST ESTIMATE
CITY OF OWOSSO
301 W. MAIN
OWOSSO, MI 48867**

1. Estimate No.:

4

4. Date Prepared

11/1/2011

5. Period Ending

10/28/2011

2. Sponsor's Name
CITY OF OWOSSO

3. Sponsor's Address
**301 W. MAIN
OWOSSO, MI 48867**

6. Project No.

7. Name of Project
2011 STREET PATCH PROGRAM

8. Location of Project

9. State:

10. Name of Contractor
ONE WAY ASPHALT

11. Address of Contractor
**3041 E. GRAND RIVER
WILLIAMSTON, MICHIGAN 48895**

12. Work Performed Under:
Lump Sum Contract:
Unit Price Contract
Force Account:

13. Description of Work

PATCH UTILITY CUTS IN VARIOUS STREETS IN OWOSSO

14. Sponsor's Contract No

15. Original Estimated Cost this Contract or Force Account
\$33,048.50

16. Completion Time

17. Percent Physical Completion

18. Dates

a. Notice to Proceed

b. Work to Commence
8-15.2011

c. Completion Date

d. Est. or Actual Completion
202%

19. No of Days Contractor is
a. Ahead

b. In Arrears

20. Item No. 21. Description of Item

22. LATEST REVISED DETAILED ESTIMATE

23. WORK PERFORMED TO DATE

20 Item No.	21. Description of Item	22. LATEST REVISED DETAILED ESTIMATE				23. WORK PERFORMED TO DATE		
		a. Quantity	b. Unit	c. Unit Price	d. Amount	a. Quantity	b. Amount	c. %
1	4" PATCHES	7800	SFT	\$ 2.83	\$ 22,074.00	\$ 16,923.75	\$ 47,894.21	217%
2	6" PATCHES	2350	SFT	\$ 3.85	\$ 9,047.50	\$ 4,560.77	\$ 17,558.96	194%
3	8" PATCHES	410	SFT	\$ 4.70	\$ 1,927.00	\$ 870.35	\$ 4,090.65	212%
	1" PATCHES			\$ 1.42		\$ 299.75	\$ 425.65	
				TOTAL			\$ 69,969.47	
				Less Estimate 3			\$ 66,723.73	
				Total This Estimate			\$ 3,245.74	
					\$ -		\$ -	
					\$ -		\$ -	
					\$ -		\$ -	
					\$ -		\$ -	
					\$ -		\$ -	
					\$ -		\$ -	

24. CERTIFICATION OF CONTRACTOR

I hereby certify that the work performed and materials supplied to date, as shown on this periodic cost estimate, represent the actual value of accomplishment under the terms of this contract in conformity with approved plans and specification; that the quantities shown were properly determined and are correct; and that there has been full compliance with all labor provisions included in the contract identified above.

BY: _____

Date

Name of Contractor

Signature

Title

25. ACKNOWLEDGMENT AND CONCURRENCE OF PROJECT ENGINEER

I have examined this periodic cost estimate and concur in the certificate of the contractor.

Date

Signature, Project Engineer



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: For November 7, 2011 Council Agenda (Consent Item)

TO: Owosso City Council

FROM: Gary Burk, Utilities Director

RE: Wastewater Sludge Dewatering Centrifuge Emergency Overhaul
\$31,918 Payment Authorization
Alfa Laval Inc.

Staff requests Council concurrence on the payment to Alfa Laval, Inc. in the amount of \$31,918 for emergency repairs and rehabilitation of the sludge dewatering centrifuge used at the wastewater treatment plant.

The centrifuge experienced a bearing failure and problem with the back-drive gear box on September 29th rendering the unit non-functional. This necessitated an emergency repair as this is the sole means of dewatering sludge (i.e. residual solids) at the wastewater plant. While we can temporarily store undewatered sludge at the plant for one to two weeks, it rapidly becomes an operational problem. The 1500 pound rotating assembly was removed and transported on September 30th to the Alfa Laval repair facility in Indiana for tear-down, assessment and repair. Alfa Laval is the original equipment manufacturer and has the specialized equipment and replacement parts in stock at their regional service center for the type of service required to rapidly return the unit to operating service.

We plan for “standard” service on the centrifuge rotating assembly about every 8,000 hours of operation or every 4 years. This was budgeted for this year at \$20,000 to come from the Plant Replacement Fund (current balance of \$1.7 million) and planned for downtime in February when we can better accommodate a sludge backlog. Upon teardown and inspection by Alfa Laval, it was obvious that additional parts and labor beyond the standard service work were necessary to assure the unit was restored to proper operating condition and able to properly operate over the next 8,000 operating hours. The 11 page Alfa Laval condition report and proposal, detailing the needed repairs, is available upon request. The \$31,918 would be paid from the Plant Replacement Fund, which is designed to handle such costs within the current plant charge schedule.

The centrifuge was repaired in a timely fashion by Alfa Laval, picked up by the City, reinstalled and returned to service on October 14th.

The centrifuge is a rugged but precision piece of equipment with an initial value of \$250,000. It was manufactured in 1980, but purchased slightly used (only 200 operating hours) from the City of Mount Pleasant where it was only used as a back-up unit. It has been in full service at our plant since 1998. In our upcoming wastewater plant assessment and capital improvements study we will be looking at alternatives for sludge processing and utilization versus disposal. If we opt to continue with our current practice of sludge dewatering and disposal at the landfill, we will also evaluate other dewatering equipment and seek to increase operating reliability during periods of equipment downtime.

Enc.

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING PAYMENT TO ALFA-LAVAL, INC.
IN THE AMOUNT OF \$31,918 FOR THE EMERGENCY REPAIR
TO THE SLUDGE DEWATERING CENTRIFUGE
USED AT THE WASTEWATER TREATMENT PLANT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, required the emergency repair and refurbishing of the dewatering centrifuge at its Wastewater Treatment Plant; and

WHEREAS, Alfa Laval, Inc. is the original equipment manufacturer and sole source for the necessary equipment repair and refurbishing; and had the capacity to do the extensive work in the timely manner dictated by the operational needs of our wastewater treatment plant and has completed the emergency repair in a timely and professional manner;

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

- FIRST: The City of Owosso determined that it was necessary to repair and refurbish the sludge dewatering centrifuge on an emergency basis at the original equipment manufacturer's service center in the amount of \$31,918 as proposed from Alfa Laval, Inc.
- SECOND: The purchase agreement between the City and Alfa Laval is in the form of a Alfa Laval Proposal and City Purchase Order.
- THIRD: The above expenses shall be paid from the Wastewater Plant Replacement Fund.

INVOICE NO. 10522834



7

Account No. 1010278	Reference No.	Customer P.O. No. 41289	A/L Order No. 415496
------------------------	---------------	----------------------------	-------------------------

SOLD TO: OWOSSO, CITY OF
301 WEST MAIN STREET
OWOSSO, MI 48867 US

RHONDA PRITCHETT

SHIP TO: CITY OF OWOSSO

ATTN: TIM GUYSKY
1410 CHIPPEWA TRAIL
OWOSSO, MI 48867

PLEASE SEND REMITTANCE TO:

PO BOX 8500-52788
PHILADELPHIA, PA 19178-2788

Invoice Date 10/17/11

Payment Terms NET 30 DAYS

Shipped Date Same as Invoice Date unless otherwise noted below.

Shipped Via GROUND Pre Paid

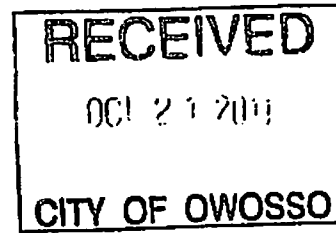
Freight Terms Pre pay & add

A Service Charge of 1.5% per month/18% per year, but not to exceed authorized legal limit, may be charged for all invoices not paid within due date.

For all questions regarding this invoice please call: Denny Dearing 317-889-3022

QUANTITY SHIPPED	QUANTITY B. O.	ITEM NUMBER	ITEM DESCRIPTION	UNIT PRICE	TOTAL PRICE
1.000	.00	RG319014	REPAIR 80-PM35000-234 R	31,918.00	31,918.00
TOTAL				USD	31,918.00

** contact: Tim Guysky **
** e-mail: timothy.guysky@ci.owosso.mi.us **



In the absence of a contract signed by Alfa Laval specifying additional or conflicting terms or conditions, Alfa Laval products and services are sold only pursuant to Alfa Laval's Conditions of Sale as stated in the Safe Terms and Conditions Rev 032204. Any objections to these terms must be brought to Alfa Laval's attention by separate writing within 10 days of the date hereof.



"Tune up" with Gearbox service, as Quoted \$ 20,500.00
Additional parts required \$ 7,668.00
Additional Labor Required \$ 3,750.00
Total \$ 31,918.00

OWOSSO, CITY OF
PM35000 rotating assembly; gearbox; feed tube S/N 80-PM35000-234
A/L ref.: 415496
Your ref.:
10/05/2011

Basic/Required

Part Number	Part Description	Qty	Price	Extended Price
99156107	KIT, PM35000 ROT. ASSY.	1	\$3,242.11	\$3,242.11
99156108	REPAIR KIT P19/125 GEARBOX	1	\$1,008.62	\$1,008.62
PD10288-1	PULLEY	1	\$2,021.59	\$2,021.59
6124004582	CONVEYOR TILE	55	\$102.67	\$5,646.85
			Total	\$11,919.17



WARRANT 431
November 4, 2011

Vendor	Description	Fund	Amount
Michigan Municipal League	Membership October 1, 2011 – September 30, 2012	General	\$ 5,913.00
Shiawassee Economic Development Partnership	Economic Development Semi-Annual Investment FY 2011-2012	General/ Water	\$15,713.00
		TOTAL	\$21,626.00

Act No. 152
Public Acts of 2011
Approved by the Governor
September 24, 2011
Filed with the Secretary of State
September 27, 2011
EFFECTIVE DATE: September 27, 2011

**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2011**

Introduced by Senator Jansen

ENROLLED SENATE BILL No. 7

AN ACT to limit a public employer's expenditures for employee medical benefit plans; to provide the power and duties of certain state agencies and officials; to provide for exceptions; and to provide for sanctions.

The People of the State of Michigan enact:

Sec. 1. This act shall be known and may be cited as the "publicly funded health insurance contribution act".

Sec. 2. As used in this act:

(a) "Designated state official" means:

(i) For an election affecting employees and officers in the judicial branch of state government, the state court administrator.

(ii) For an election affecting senate employees and officers, the secretary of the senate.

(iii) For an election affecting house of representatives employees and officers, the clerk of the house.

(iv) For an election affecting legislative council employees, the legislative council.

(v) For an election affecting employees in the state classified service, the civil service commission.

(vi) For an election affecting executive branch employees who are not in the state classified service, the state employer.

(b) "Flexible spending account" means a medical expense flexible spending account in conjunction with a cafeteria plan as permitted under the federal internal revenue code of 1986.

(c) "Health savings account" means an account as permitted under section 223 of the internal revenue code of 1986, 26 USC 223.

(d) "Local unit of government" means a city, village, township, or county, a municipal electric utility system as defined in section 4 of the Michigan energy employment act of 1976, 1976 PA 448, MCL 460.804, an authority created under chapter VIA of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.108 to 259.125c, or an authority created under 1939 PA 147, MCL 119.51 to 119.62.

(e) "Medical benefit plan" means a plan established and maintained by a carrier, a voluntary employees' beneficiary association described in section 501(c)(9) of the internal revenue code of 1986, 26 USC 501, or by 1 or more public employers, that provides for the payment of medical benefits, including, but not limited to, hospital and physician services, prescription drugs, and related benefits, for public employees or elected public officials. Medical benefit plan does not include benefits provided to individuals retired from a public employer.

(f) "Public employer" means this state; a local unit of government or other political subdivision of this state; any intergovernmental, metropolitan, or local department, agency, or authority, or other local political subdivision; a school district, a public school academy, or an intermediate school district, as those terms are defined in sections 4 to 6 of the revised school code, 1976 PA 451, MCL 380.4 to 380.6; a community college or junior college described in section 7 of article VIII of the state constitution of 1963; or an institution of higher education described in section 4 of article VIII of the state constitution of 1963.

Sec. 3. Except as otherwise provided in this act, a public employer that offers or contributes to a medical benefit plan for its employees or elected public officials shall pay no more of the annual costs or illustrative rate and any payments for reimbursement of co-pays, deductibles, or payments into health savings accounts, flexible spending accounts, or similar accounts used for health care costs, than a total amount equal to \$5,500.00 times the number of employees with single person coverage, \$11,000.00 times the number of employees with individual and spouse coverage, plus \$15,000.00 times the number of employees with family coverage, for a medical benefit plan coverage year beginning on or after January 1, 2012. A public employer may allocate its payments for medical benefit plan costs among its employees and elected public officials as it sees fit. By October 1 of each year after 2011, the state treasurer shall adjust the maximum payment permitted under this section for each coverage category for medical benefit plan coverage years beginning the succeeding calendar year, based on the change in the medical care component of the United States consumer price index for the most recent 12-month period for which data are available from the United States department of labor, bureau of labor statistics.

Sec. 4. (1) By a majority vote of its governing body, a public employer, excluding this state, may elect to comply with this section for a medical benefit plan coverage year instead of the requirements in section 3. The designated state official may elect to comply with this section instead of section 3 as to medical benefit plans for state employees and state officers.

(2) For medical benefit plan coverage years beginning on or after January 1, 2012, a public employer shall pay not more than 80% of the total annual costs of all of the medical benefit plans it offers or contributes to for its employees and elected public officials. For purposes of this subsection, total annual costs includes the premium or illustrative rate of the medical benefit plan and all employer payments for reimbursement of co-pays, deductibles, and payments into health savings accounts, flexible spending accounts, or similar accounts used for health care but does not include beneficiary-paid copayments, coinsurance, deductibles, other out-of-pocket expenses, other service-related fees that are assessed to the coverage beneficiary, or beneficiary payments into health savings accounts, flexible spending accounts, or similar accounts used for health care. Each elected public official who participates in a medical benefit plan offered by a public employer shall be required to pay 20% or more of the total annual costs of that plan. The public employer may allocate the employees' share of total annual costs of the medical benefit plans among the employees of the public employer as it sees fit.

Sec. 5. (1) If a collective bargaining agreement or other contract that is inconsistent with sections 3 and 4 is in effect for a group of employees of a public employer on the effective date of this act, the requirements of section 3 or 4 do not apply to that group of employees until the contract expires. A public employer's expenditures for medical benefit plans under a collective bargaining agreement or other contract described in this subsection shall be excluded from calculation of the public employer's maximum payment under section 4. The requirements of sections 3 and 4 apply to any extension or renewal of the contract.

(2) A collective bargaining agreement or other contract that is executed on or after September 15, 2011 shall not include terms that are inconsistent with the requirements of sections 3 and 4.

Sec. 6. A public employer may deduct the covered employee's or elected public official's portion of the cost of a medical benefit plan from compensation due to the covered employee or elected public official. The employer may condition eligibility for the medical benefit plan on the employee's or elected public official's authorizing the public employer to make the deduction.

Sec. 7. (1) The requirements of this act apply to medical benefit plans of all public employees and elected public officials to the greatest extent consistent with constitutionally allocated powers, whether or not a public employee is a member of a collective bargaining unit.

(2) If a court finds the requirements of section 3 to be invalid, the expenditure limit in section 4 shall apply to a public employer that does not exempt itself under section 8, except that the requirement for a majority vote of the governing body of the public employer in section 4 shall not apply. If a court finds section 4 to be invalid, the expenditure limit in section 3 shall apply to each public employer that does not exempt itself under section 8.

Sec. 8. (1) By a 2/3 vote of its governing body each year, a local unit of government may exempt itself from the requirements of this act for the next succeeding year.

(2) A 2/3 vote of the governing body of the local unit of government is required to extend an exemption under this section to a new year.

(3) An exemption under this section is not effective for a city with a mayor who is both the chief executive and chief administrator, unless the mayor also approves the exemption.

(4) An exemption under this section is not effective for a county with a county executive who is both the chief executive and chief administrator, unless the county executive also approves the exemption.

Sec. 9. If a public employer fails to comply with this act, the public employer shall permit the state treasurer to reduce by 10% each economic vitality incentive program payment received under 2011 PA 63 and the department of education shall assess the public employer a penalty equal to 10% of each payment of any funds for which the public employer qualifies under the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, during the period that the public employer fails to comply with this act. Any reduction setoff or penalty amounts recovered shall be returned to the fund from which the reduction is assessed or upon which the penalty is determined. The department of education may also refer the penalty collection to the department of treasury for collection consistent with section 13 of 1941 PA 122, MCL 205.13.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

.....
Governor

City of Owosso
Premium Cost Sharing Compared to Legislation

PHP High Deductible Plan w/ wrap

	Single	2 Person	Family
	\$ 5,440.56	\$ 13,057.20	\$ 16,321.80
Proposed Cap	\$ 5,500.00	\$ 11,000.00	\$ 15,000.00
Amount over Cap - Annual	\$ (59.44)	\$ 2,057.20	\$ 1,321.80
Amount over Cap - Monthly	\$ (4.95)	\$ 171.43	\$ 110.15
Amount over Cap - Pay Period	\$ (2.29)	\$ 79.12	\$ 50.84
20% of Annual Premium	\$ 1,088.11	\$ 2,611.44	\$ 3,264.36
20% of Monthly Premium	\$ 90.68	\$ 217.62	\$ 272.03
20% of Pay Period Premium	\$ 41.85	\$ 100.44	\$ 125.55

Individual Monthly Premium Cost-sharing Contributions

Employee Group/Union	Single	2 Person	Family	Contribution Type
General City	\$ 22.67	\$ 54.41	\$ 68.01	5%
AFSCME	\$ 22.02	\$ 52.86	\$ 66.08	Fixed
IAFF	\$ -	\$ -	\$ -	-
POLC - Command	\$ -	\$ -	\$ -	-
POLC - Patrol	\$ -	\$ -	\$ -	-



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: November 3, 2011
TO: Owosso City Council
FROM: Donald Crawford, City Manager
RE: LED Lighting Grant

As you know the Michigan Strategic Fund/Michigan Energy Office has awarded the city with a \$40,500 grant to convert a total of 100 street lights in the downtown to LED lights. The State will be disbursing the funds in two rounds, with an initial disbursement of \$29,000 and the remaining \$11,000 to follow at a later date. Because we will be receiving the funds in two separate allotments the contract presented details only the initial allotment. While our original proposal included the conversion of 100 lights it is possible the State will be unable to pay us the remaining \$11,000, thus the budget detailed in Attachment B includes plans for the conversion of 72 lights, with the remaining lights scheduled for conversion upon confirmation we will indeed be receiving the remainder of the grant amount. Matching funds are scheduled to be \$8,825 if the entire \$40,500 is received.

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT FOR
THE PURCHASE AND INSTALLATION OF LED LIGHTING IN THE DOWNTOWN
UTILIZING MICHIGAN STRATEGIC GRANT FUNDS**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, provides street lighting in the downtown;
and

WHEREAS, the energy costs for street lighting have steadily risen over the years; and

WHEREAS, there is new LED technology available that will provide lighting that uses significantly less
energy thereby saving the City money; and

WHEREAS, the City of Owosso submitted a grant application to the State of Michigan Energy Office
seeking funding assistance to convert existing lights to LED lights; and

WHEREAS, as a result of the application the Michigan Energy Office has awarded the City with a grant
from the Michigan Strategic Fund in the amount of \$40,000 (\$29,000 upon acceptance of the agreement
and the remaining \$11,000 at a date to be determined), to replace a total of 100 street lights with LED
lights; and

WHEREAS, the State requires City matching funds in the amount of \$6,515 for the initial disbursement.

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 enter into an agreement with Michigan Strategic Fund/Michigan
Energy Office for the conversion of 100 street lights to LED lights.
- SECOND: The City Manager is instructed and authorized to sign the document substantially in
the form attached, Agreement between the City of Owosso, Michigan and Michigan
Strategic Fund/Michigan Energy Office.
- THIRD: Expenses related to this project shall be paid from the General Fund with initial
reimbursement from the Michigan Strategic Fund/Michigan Energy Office in the
amount of \$29,000.00 after the local match is reached.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO, SHIAWASSEE
COUNTY, MICHIGAN THIS 7th DAY OF NOVEMBER, 2011.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

CITY OF OWOSSO

ATTEST:

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk

GRANT BETWEEN
THE MICHIGAN STRATEGIC FUND/MICHIGAN ENERGY OFFICE
AND
CITY OF OWOSSO

GRANTEE/ADDRESS:

Donald Crawford, City Manager
City of Owosso
301 W. Main Street
Owosso, MI 48867
Phone: (989) 725-0599
Fax: (989) 723-8854
E-mail: Donald.crawford@ci.owosso.mi.us

GRANT ADMINISTRATOR/ADDRESS:

Shelly Shinevar
Michigan Energy Office/MEDC
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GRANT PERIOD:

From 10/19/2011 to 06/30/2012

TOTAL AUTHORIZED BUDGET: \$29,000

Federal Contribution: \$29,000
State Contribution: \$
Local Contribution: \$
Other Contributions: \$

ACCOUNTING DETAIL:

Index/PCA No.: 89311
Fed I.D. No.: 38-6004723
CFDA #: 81.128

GRANT

This is Grant # MEO-11-81 between the Michigan Strategic Fund/Michigan Energy Office, and the City of Owosso (Grantee), subject to terms and conditions of this grant agreement (Agreement).

1.0 Statement of Purpose

The purpose of the Energy Efficiency & Conservation Block Grant Program (EECBG) – Advanced Lighting Technology Demonstration Grant is to promote energy efficiency and economic development in Michigan by showcasing Michigan manufactured lighting technologies and assisting local governments in the installation of innovative lighting products. These lighting products are limited to the following: **Light Emitting Diode (LED)**, also known as Solid State Lighting; **induction lighting**; and **plasma lighting** (also known as High Efficient Plasma Lighting (HEP)).

1.1 Statement of Work

1. Identify and assemble a project team to implement the project. This would include organizational team members as well as all relevant project partners. Identify the roles and responsibilities of all team members and project partners.
2. Create a project plan outlining the general aspects of the project. Identify contractual services that may be required for project completion.
3. Develop bid documents and solicit bid proposals for system equipment, vendor quotations, or contractor proposals.
4. Review, select and complete necessary contractor agreements, equipment purchase orders and order all necessary supplies.
5. Manage project construction and implementation, contractor oversight, equipment installation and appropriate waste management.
6. Complete the information, education, and/or demonstration plan for the project. For example, this could include media outreach, promotional and marketing efforts, print materials and educational brochures, design permanent on-site display for pedestrian traffic, web site design, dedication ceremony content and promotion, and the design of evaluation questionnaire/tools for the project.
7. Evaluate the effectiveness of the educational impact of the display, brochures, and other materials to educate the public about advanced technology lighting and its benefits. This can be accomplished through surveys, questionnaires, or interviews of on-site visitors.
8. Complete timely quarterly project status reports, financial status reports, metrics reports and a Final Project Report.

The City of Owosso will retrofit 100 exterior lighting fixtures with LED lighting from a Michigan manufacturer.

These services are more specifically described in the Grantee's Proposal, Attachment A.

1.2 Detailed Budget

- (a) This Agreement does not commit the State of Michigan (State) or the Michigan Strategic Fund to approve requests for additional funds at any time.
- (b) Attachment B is the Budget. The Grantee agrees that all funds shown in the Budget are to be spent as detailed in the Budget.

Changes in the Budget of less than 5% of the total line item amount do not require prior written approval, but Grantee must provide notice to the Grant Administrator.

Changes in the Budget equal to or greater than 5% of the total line item amount will be allowed only upon prior review and written approval by the Grant Administrator. A formal grant amendment must be signed by both the Grantor and Grantee.

1.3 Payment Schedule

The maximum amount of grant assistance offered is \$ 29,000. Progress payments up to a total of 85% of the Total Authorized Budget may be made upon submission of a Grantee request indicating grant funds received to date, project expenditures to date (supported with computer printouts of accounts, general ledger sheets, balance sheets, etc.), and objectives completed to date. Backup documentation such as computer printouts of accounts, ledger sheets, check copies, etc. shall be maintained for audit purposes in order to comply with this Agreement. The payment of the final 15% of the grant amount shall be made after completion of the project and after the Grant Administrator has received and approved a final report, if applicable. The final payment is also contingent upon the submission of a final invoice that includes expenditures of grant funds reported by line item and compared to the approved Budget.

Public Act 279 of 1984 states that the state shall take all steps necessary to assure that payment for goods or services, is mailed within 45 days after receipt of the goods or services, a complete invoice for goods or services, or a complete contract for goods or services, whichever is later.

1.4 Monitoring and Reporting Program Performance

- A. **Monitoring.** The Grantee shall monitor performance to assure that time schedules are being met and projected work by time period is being accomplished.
- B. **Quarterly Reports.** The Grantee shall submit to the Grant Administrator **quarterly** performance reports that briefly present the following information:

1. Percent of completion of the project objectives. This should include a brief outline of the work accomplished during the reporting period and the work to be completed during the subsequent reporting period.
 2. Brief description of problems or delays, real or anticipated, which should be brought to the attention of the Grant Administrator.
 3. Statement concerning any significant deviation from previously agreed-upon Statement of Work.
- C. A Final Report is required. The Grantee will do the following:
1. Submit 1 draft electronic copy of the final report no later than July 30, 2012 for review by the Grant Administrator.
 2. After the Grant Administrator has determined the completeness and factual accuracy of the report, the Grantee shall submit 1 final electronic copy of the report to the Grant Administrator.
 3. The final report will include the following information:
 - a. A summary of the project implementation plan and any deviations from the original project as proposed.
 - b. Accomplishments and problems experienced while carrying out the project activities.
 - c. Coordinated efforts with other organizations to complete the project.
 - d. Impacts, anticipated and unanticipated, experienced as a result of the project implementation.
 - e. Financial expenditures of grant money and other contributions to the project, in-kind and/or direct funding.
 - f. Any experience in applying the project products and anticipated “next steps”.
 - g. Actual Budget expenditures compared to the Budget in this Agreement. Include the basis or reason for any discrepancies.

PART II - GENERAL PROVISIONS

2.1 Project Changes

Grantee must obtain prior written approval for major project changes from the Grant Administrator

2.2 Record Retention

The Grantee shall retain all financial records, supporting documents, statistical records, and all other pertinent records for a period of seven (7) years or greater as provided by law following the creation of the records or documents.

2.3 Project Income

To the extent that it can be determined that interest was earned on advances of funds, such interest shall be remitted to the Grantor. All other program income shall either be added to the project budget and used to further eligible program objectives or deducted from the total program budget for the purpose of determining the amount of reimbursable costs. The final determination shall be made by the Grant Administrator.

2.4 Share-in-savings

The Grantor expects to share in any cost savings realized by the Grantee. Therefore, final Grantee reimbursement will be based on actual expenditures. Exceptions to this requirement must be approved in writing by the Grant Administrator.

2.5 Order of Spending

Unless otherwise required, Grantee shall expend funds in the following order: (1) private or local funds, (2) federal funds, and (3) state funds. Grantee is responsible for securing any required matching funds from sources other than the State.

2.6 Purchase of Equipment

The purchase of equipment not specifically listed in the Budget, Attachment B, must have prior written approval of the Grant Administrator. Equipment is defined as non-expendable personal property having a useful life of more than one year. Such equipment shall be retained by the Grantee unless otherwise specified at the time of approval.

2.7 Accounting

The Grantee shall adhere to the Generally Accepted Accounting Principles and shall maintain records which will allow, at a minimum, for the comparison of actual outlays with budgeted amounts. The Grantee's overall financial management system must ensure effective control over and accountability for all funds received. Accounting records must be supported by source documentation including, but not limited to, balance sheets, general ledgers, time sheets and invoices. The expenditure of state funds shall be reported by line item and compared to the Budget.

2.8 Audit

The Grantee agrees that the State may, upon 24-hour notice, perform an audit and/or monitoring review at Grantee's location(s) to determine if the Grantee is complying with the requirements of the Agreement. The Grantee agrees to cooperate with the State during the audit and/or monitoring review and produce all records and documentation that verifies compliance with the Agreement requirements. The Grantor may require the completion of an audit before final payment.

If the Grantee is a governmental or non-profit organization and expends the minimum level specified in OMB Circular A-133 (\$500,000 as of June 27, 2003) or more in total federal funds in its fiscal year, then Grantee is required to submit a Single Audit report to all agencies that provided federal funds to the entity during the fiscal year being audited.

If the Grantee is a commercial or for profit organization which is a recipient of Workforce Investment Act Title I funds and expends more than the minimum level specified in Office of Management and Budget (OMB) Circular A-133 (\$500,000 as of June 27, 2003), then the Grantee must have either an organization-wide audit conducted in accordance with A-133 or a program specific financial and compliance audit conducted. Section .320(a) of OMB Circular A-133 states the Single Audit report must be submitted to the Grantor within thirty (30) days after the completion of the audit, but no later than nine (9) months after the end of the Grantee's fiscal year.

2.9 Competitive Bidding

The Grantee agrees that all procurement transactions involving the use of state funds shall be conducted in a manner that provides maximum open and free competition. When competitive selection is not feasible or practical, the Grantee agrees to obtain the written approval of the Grant Administrator before making a sole source selection. Sole source contracts should be negotiated to the extent that such negotiation is possible.

3.0 Liability

The State is not liable for any costs incurred by the Grantee before the start date or after the end date of this Agreement. Liability of the State is limited to the terms and conditions of this Agreement and the grant amount.

3.1 Intellectual Property

Grantee grants to the Grantor a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Deliverables and related documentation according to the terms and conditions of this Agreement. For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.

The Grantor may modify the Deliverable and may combine the Deliverable with other programs or materials to form a derivative work. The Grantor will own and hold all copyright, trademarks, patent and other intellectual property rights in any derivative work, excluding any rights or interest in Deliverable other than those granted in this Agreement.

The Grantor may copy each Deliverable to multiple hard drives or networks unless otherwise agreed by the parties.

The Grantor will make and maintain no more than one archival copy of each Deliverable, and each copy will contain all legends and notices and will be subject to the same conditions and restrictions as the original. The Grantor may also make copies of the Deliverable in the course of routine backups for the purpose of recovery of contents.

In the event that the Grantee shall, for any reason, cease to conduct business, or cease to support the Deliverable, the Grantor shall have the right to convert these licenses into perpetual licenses, with rights of quiet enjoyment, but subject to payment obligations not to exceed the then current rates.

3.2 Safety

The Grantee, all contractors, and subcontractors are responsible for insuring that all precautions are exercised at all times for the protection of persons and property. Safety provisions of all Applicable Laws and building and construction codes shall be observed. The Grantee, contractors, and every subcontractor are responsible for compliance with all federal, state and local laws and regulations in any manner affecting the work or performance of this Agreement and shall at all times carefully observe and comply with all rules, ordinances, and regulations. The Grantee, all contractors and subcontractors shall secure all necessary certificates and permits from municipal or other public authorities as may be required in connection with the performance of this Agreement.

3.3 Indemnification

Inasmuch as each party to this grant is a governmental entity of the State of Michigan, each party to this grant must seek its own legal representation and bear its own costs; including judgments, in any litigation which may arise from the performance of this grant. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.

3.4 Cancellation

The State may terminate this Agreement without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

(a) Termination for Cause

In the event that Grantee breaches any of its material duties or obligations under this Agreement or poses a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may terminate this Agreement immediately in whole or in part, for cause, as of the date specified in the notice of termination. In the event that this Agreement is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Grantee shall be responsible for all costs incurred by the State in terminating this Agreement, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur.

(b) Termination for Convenience

The State may terminate this Agreement for its convenience, in whole or in part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Agreement, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the services no longer practical or feasible. The State may terminate this Agreement for its convenience, in whole or in part, by giving Grantee written notice at least thirty (30) days prior to the date of termination. If the State chooses to terminate this Agreement in part, the Budget shall be equitably adjusted to reflect those reductions.

(c) Non-Appropriation

Grantee acknowledges that continuation of this Agreement is subject to appropriation or availability of funds for this Agreement. If funds to enable the State to effect continued payment under this Agreement are not appropriated or otherwise made available (including the federal government suspending or halting the program or issuing directives preventing the State from continuing the program), the State shall have the right to terminate this Agreement, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Grantee. The State shall give Grantee at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff). In the event of a termination under this section, the Grantee shall, unless otherwise directed by the State in writing, immediately take all reasonable steps to terminate its operations and to avoid and/or minimize further expenditures under the Agreement.

(d) Criminal Conviction

The State may terminate this Agreement immediately and without further liability or penalty in the event Grantee, an officer of Grantee, or an owner of a 25% or greater share of Grantee is convicted of a criminal offense incident to the application for, or performance of, a State, public or private contract or subcontract or grant; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the

ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Grantee's business integrity.

(e) **Approvals Rescinded**

The State may terminate this Agreement without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to Grantee or may be effective as of the date stated in such written notice.

3.5 No State Employees or Legislators

No member of the Legislature or Judiciary of the State of Michigan or any individual employed by the State shall be permitted to share in this Agreement, or any benefit that arises from this Agreement.

3.6 Non-Discrimination

In the performance of the Agreement, Grantee agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Grantee further agrees that every subcontract entered into for the performance of this Agreement will contain a provision requiring non-discrimination in employment, as here specified, binding upon each subcontractor. This covenant is required pursuant to the Elliott Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.* and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Agreement.

3.7 Unfair Labor Practices

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a grant or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Grantee, in relation to the Agreement, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Agreement if, subsequent to award of the Agreement, the name of Grantor as an employer or the name of the subcontractor, manufacturer or supplier of Grantor appears in the register.

The Agreement shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

4.0 Governing Law

(b) The Grantee certifies, to the best of his or her knowledge and belief that no state funds have been paid nor will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any State agency, a member of the Legislature, or an employee of a member of the Legislature in connection with the awarding of any state contract, the making of any state grant, the making of any state loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state contract, loan or cooperative agreement.

The State has relied upon this certification as a material representation. Submission of this certification is a prerequisite for entering into this Agreement imposed by 31 USC § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Grantee shall require that the language of this certification be included in the award documents for all grants or subcontracts and that all subrecipients shall certify and disclose accordingly.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this grant, the Grantee shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(1) No federal appropriated funds have been paid nor will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.

3.9 Illegal Influence

The Grantee certifies, by signature to this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal or State department or agency. If the Grantee is unable to certify to any portion of this statement, the Grantee shall attach an explanation to this Agreement.

3.8 Certification Regarding Debarment

4.1 Compliance with Laws

Grantee shall comply with all applicable state, federal, and local laws and ordinances (“Applicable Laws”) in performing this Agreement.

4.2 Jurisdiction

Any dispute arising from the Agreement shall be resolved in the State of Michigan. With respect to any claim between the parties, Grantee consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

4.3 Assignment

Grantee shall not have the right to assign the Agreement, or to assign or delegate any of its duties or obligations under the Agreement, to any other party (whether by operation of law or otherwise), without the prior written consent of the Grantor. Any purported assignment in violation of this section shall be null and void.

4.4 Entire Agreement

The Agreement, including any Attachments, constitutes the entire agreement between the parties with respect to the grant and supersedes all prior agreements, whether written or oral, with respect to such subject matter.

4.5 Independent Contractor Relationship

The relationship between the State and Grantee is that of client and independent Contractor. No agent, employee, or servant of Grantee or any of its Subcontractors shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Grantee will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of the Agreement.

4.6 Conflicts

In the event of a conflict between the terms of this Agreement and any federal or state laws or regulations, the federal or state laws or regulations will supersede any contrary term contained in this Agreement.

Addendum to Part II – General Provisions

SOLICITATION & AWARD TERMS FOR GRANT AGREEMENTS THAT INCLUDE FUNDS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009, PUBLIC LAW 111-5

Grant Agreements must require recipients and sub-recipients to:

- 1. Maintain current registrations in the Central Contractor Registration (CCR) database. <http://www.ccr.gov/>**
- 2. Report quarterly on project activity status in addition to any reporting requirements that currently apply to recipients of federal funds**
- 3. Follow Buy American guidelines (Sec. 1605 of ARRA Act and Sec. 5.020 of this document)**
- 4. Implement wage rate requirements (Sec. 1606 of ARRA Act and Sec. 5.030 of this document)**
- 5. Ensure proper accounting and reporting of Recovery Act expenditures in Single Audits.**

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Terms and Conditions for American Recovery and Reinvestment (ARRA) of 2009 Funded Grants

5.000 Sub-Recipients Requirements

Grantee shall include these terms, including this requirement, in any of its subcontracts or subgrants in connection with projects funded in whole or in part with funds available under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5.

5.010 Reporting & Registration Requirements (Section 1512)

Division A, Title XV, Section 1512 of the ARRA outlines reporting requirements. Not later than ten calendar days after the end of each calendar quarter, the State must submit a report that, at a minimum, contains the information specified in Section 1512 of the ARRA. It is imperative all grants involving the use of ARRA funds include requirements that the Grantee supply the State with the necessary information to provide these reports (see RFP Section 1.042 Reports) in a timely manner. More detail will follow regarding the timing and submission of reports.

The Grantee's failure to provide complete, accurate, and timely reports shall constitute an "Event of Default". Upon the occurrence of an Event of Default, the state department or agency may terminate this grant upon 30 days prior written notice if the default remains uncured within five calendar days following the last day of the calendar quarter, in addition to any other remedy available to the state department or agency in law or equity.

5.020 Buy American Requirement (Section 1605)

5.022 REQUIRED Use of American Iron, Steel, and Other Manufactured Goods

(a) **Definitions.** As used in this Section 5.020 —

"Designated Country" means Aruba, Australia, Austria, Belgium, Bulgaria, Chile, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and United Kingdom.

"Designated country iron, steel, and/or manufactured goods" mean iron, steel and/or a manufactured good that:

- (1) Is wholly the growth, product or manufacture of a Designated Country; or
- (2) In the case of a manufactured good that consists in whole or in part of materials from another country, has been substantially transformed in a Designated County into a new and different manufactured good distinct from the materials from which it was transformed.

"Domestic iron, steel and/or manufactured good" is iron, steel and/or a manufactured good that:

- (1) Is wholly the growth, product or manufacture of the United States; or
- (2) In the case of a manufactured good that consists in whole or in part of materials from another county, has been substantially transformed in the United States into a new and different manufactured good distinct from the materials from which it was transformed. There is no requirement with regard to the origin of components or subcomponents in manufactured goods or products, as long as the manufacture of goods occurs in the United States.

"Federal Agency" means the department or agency of the federal government that awarded funds to the State of Michigan from the ARRA that finance the project described in this RFP.

"Foreign iron, steel and/or manufactured good" means iron, steel and/or manufactured good that is not domestic or Designated country iron, steel and/or manufactured goods.

"Manufactured good" means a good brought to the construction site for incorporation into the building or work that has been--

- (1) Processed into a specific form and shape; or
- (2) Combined with other raw material to create a material that has different properties than the properties of the individual raw materials.

"Public building" and "public work" means a public building of, and a public work of, a governmental

entity (the United States; the District of Columbia; commonwealths, territories, and minor outlying islands of the United States; State and local governments; and multi-State, regional, or interstate entities which have governmental functions). These buildings and works may include, without limitation, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, heavy generators, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals, and the construction, alteration, maintenance, or repair of such buildings and works.

"Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Domestic preference.*

(1) This term and condition implements:

(i) Section 1605(a) of Division A, Title XVI of the ARRA by requiring that all iron, steel, and manufactured goods used in the public building or public work are produced in the United States; and

(ii) Section 1605(d) of Division A, Title XVI of the ARRA, which requires the application of the Buy American requirement in a manner consistent with U.S. obligations under international agreements. The restrictions of Section 1605 of the ARRA do not apply to Designated country iron, steel, and/or manufactured goods procured for projects with an estimated value of \$7,433,000 or more.

(2) The Grantee shall use only domestic or Designated country iron, steel and/or manufactured goods in performing work funded in whole or in part with funds available under the ARRA, except as provided in subparagraphs (3) and (4) of this paragraph (b).

(3) The requirement in paragraph (2) of this Section 5.022(b) does not apply to the material listed by the Federal Agency as follows: none

(4) The Federal Agency may add other iron, steel, and/or manufactured goods to the list in paragraph (b) (3) of this Section if the Federal government determines that—

(i) The cost of the domestic iron, steel, and/or manufactured goods would be unreasonable. The cost of domestic iron, steel, or manufactured goods used in the project is unreasonable when the cumulative cost of such material will increase the cost of the overall project by more than 25 percent;

(ii) The iron, steel, and/or manufactured good is not produced, or manufactured in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) The application of section 1605 of the ARRA would be inconsistent with the public interest.

(c) *Request for determination of inapplicability of Section 1605 of the ARRA.*

(1)(i) Any Bidder's request to use foreign iron, steel, and/or manufactured goods in accordance with paragraph (b) (4) of this Section shall include adequate information for Federal Agency evaluation of the request, including—

(A) A description of the foreign and domestic iron, steel, and/or manufactured goods;

(B) Unit of measure;

(C) Quantity;

(D) Cost;

(E) Time of delivery or availability;

(F) Location of the project;

(G) Name and address of the proposed supplier; and

(H) A detailed justification of the reason for use of foreign iron, steel, and/or manufactured goods cited in accordance with paragraph (b)(3) of this term and condition.

(ii) A request based on unreasonable cost shall include a reasonable survey of the market and a completed cost comparison table in the format in paragraph (d) of this Section.

(iii) The cost of iron, steel, and/or manufactured goods material shall include all delivery costs to the construction site and any applicable duty.

(iv) Any Grantee's request for a determination submitted after ARRA funds have been obligated for a project for construction, alteration, maintenance, or repair shall explain why the Grantee could not reasonably foresee the need for such determination and could not have requested the determination before the funds were obligated. If the Grantee does not submit a satisfactory explanation, the Federal Agency need not make a determination.

(2) If the Federal Agency determines after funds have been obligated for a project for construction, alteration, maintenance, or repair that an exception to section 1605 of the ARRA applies, the State will

amend the grant to allow use of the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is nonavailability or public interest, the amended grant shall reflect adjustment of the grant amount, redistribution of budgeted funds, and/or other actions taken to cover costs associated with acquiring or using the foreign iron, steel, and/or relevant manufactured goods. When the basis for the exception is the unreasonable cost of the domestic iron, steel, or manufactured goods, the State shall adjust the award amount or redistribute budgeted funds by at least the differential established in 2 CFR 176.110(a).

(3) Unless the Federal Agency determines that an exception to section 1605 of the ARRA applies, use of foreign iron, steel, and/or manufactured goods is noncompliant with section 1605 of the American Recovery and Reinvestment Act.

(d) Data. To permit evaluation of requests under subparagraph (b)(4) of this Section based on unreasonable cost, the Bidder shall include the following information and any applicable supporting data based on the survey of suppliers:

FOREIGN AND DOMESTIC ITEMS COST COMPARISON				
Description	Unit of Measure	Quantity	Cost (Dollars)*	
Item 1:				
Foreign steel, iron, or manufactured good	_____	_____	_____	
Domestic steel, iron, or manufactured good	_____	_____	_____	
Item 2:				
Foreign steel, iron, or manufactured good	_____	_____	_____	
Domestic steel, iron, or manufactured good				
<p>[List name, address, telephone number, email address, and contact for suppliers surveyed. Attach copy of response; if oral, attach summary.] [Include other applicable supporting information.] [* Include all delivery costs to the construction site.]</p>				

5.024 Notice of Required Use of American Iron, Steel, and Other Manufactured Goods

REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS—SECTION 1605 OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

(a) Definitions. "Designated country iron, steel and/or manufactured goods," "domestic iron, steel and/or manufactured goods", "Federal Agency", "Foreign iron, steel and/or manufactured good", "Manufactured good," "public building and public work," and "steel," as used in this Section, are defined in Section 5.022(a).

(b) Requests for determinations of inapplicability. A prospective Bidder requesting a determination regarding the inapplicability of section 1605 of the ARRA should submit the request to the Federal Agency in time to allow a determination before submission of applications or proposals. Bidders should provide a copy of this request to DELEG. The prospective applicant shall include the information and applicable supporting data required by paragraphs (c) and (d) of Section 5.022 of this RFP in the request. If Bidder has not requested a determination regarding the inapplicability of Section 1605 of the ARRA before submitting its application or proposal, or has not received a response to a previous request, the applicant shall include the information and supporting data in the application or proposal. The Federal Agency is sole entity authorized to make determinations regarding the inapplicability of Section 1605 of the ARRA.

(c) Evaluation of project proposals.

If the Federal Agency determines that an exception based on unreasonable cost of domestic iron, steel, and/or manufactured goods applies, the State will evaluate a project requesting an exception to the requirements of section 1605 of the ARRA by adding to the estimated total cost of the project 25 percent of the project cost, if foreign iron, steel, or manufactured goods are used in the project based on unreasonable cost of comparable manufactured domestic iron, steel, and/or manufactured goods.

(d) Alternate project proposals.

(1) When a project proposal includes foreign iron, steel, and/or manufactured goods, other than Designated country iron, steel and/or manufactured goods, not listed in paragraph (b)(3) of the Section 6.022, the Bidder also may submit an alternate proposal based on use of equivalent domestic iron, steel, and/or manufactured goods.

(2) If an alternate proposal is submitted, the Bidder shall submit a separate cost comparison table prepared in accordance with paragraphs (c) and (d) of Section 5.022 of this RFP for the proposal that is based on the use of any foreign iron, steel, and/or manufactured goods for which the Federal Agency has not yet determined an exception applies.

(3) If the Federal Agency determines that a particular exception requested in accordance with paragraph (b) of Section 5.022 of this RFP does not apply, the State will evaluate only those proposals based on use of the equivalent domestic or designated country iron, steel, and/or manufactured goods, and the Grantee shall be required to furnish such domestic or designated country items.

5.030 Wage Rate Requirements (Section 1606)

All laborers and mechanics employed by grantees, subgrantees, contractors and subcontractors on projects funded in whole or in part with funds available under the ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality, as determined by the United States Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40 of the United States Code. (See ARRA Sec. 1606 & RFP Section 2.204 Prevailing Wage). The Secretary of Labor's determination regarding the prevailing wages applicable in Michigan is available at <http://www.gpo.gov/davisbacon/mi.html>.

5.040 Inspection & Audit of Records

The Grantee shall permit the United States Comptroller General or his representative or the appropriate inspector general appointed under section 3 or 8G of the Inspector General Act of 1998 or his representative (1) to examine any records that directly pertain to, and involve transactions relating to, this grant; and (2) to interview any officer or employee of the Grantee or any of its subcontractors/subgrantees regarding the activities funded with funds appropriated or otherwise made available by the ARRA.

5.050 Whistle Blower Protection for Recipients of Funds

Grantee shall not discharge, demote or otherwise discriminate against an employee for disclosures by the employee that the employee reasonably believes are evidence of: (1) gross mismanagement of a contract or grant relating to Covered Funds; (2) a gross waste of Covered Funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of Covered Funds; an abuse of authority related to implementation or use of Covered Funds; or (5) a violation of law, rule, or regulation related to an agency grant (including the competition for or negotiation of a grant) or grant, awarded or issued relating to Covered Funds. In this Subsection, "Covered Funds" shall have the same meaning as set forth in Section 1553(g)(2) of Division A, Title XV of the ARRA.

(a) Recipient must post notice of the rights and remedies available to employees under Section 1553 of Division A, Title XV of the ARRA. (For the Michigan Civil Service Whistle Blowers Rule 2-10 link to: http://www.michigan.gov/mdcs/0,1607,7-147-6877_8155-72500--,00.html)

(b) The Grantee shall include the substance of this clause including this paragraph (b) in all subcontracts and subgrants.

5.060 Funding of Programs

The Grantee acknowledges that the programs supported with temporary federal funds made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, will not be continued with state financed appropriations once the temporary federal funds are expended.

5.070 Fixed Price- Competitively Bid

Grantee, to the maximum extent possible, shall award any subgrants or subcontracts funded, in whole or in part, with ARRA funds as fixed-price contracts through the use of competitive procedures.

5.080 Segregation of Costs

Grantee shall segregate obligations and expenditures of ARRA funds from other funding. No part of funds made available under the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, may be comingled with any other funds or used for a purpose other than that of making payments for costs allowable under the ARRA.

5.090 Publication

All grant solicitations funded in whole or in part with ARRA funds will be posted on the respective Michigan Energy Office website. All grants resulting from the ARRA will be published on the State of Michigan's Recovery Web site, www.michigan.gov/recovery.

Grantee shall include the Michigan Recovery logo on all signage or other publications in connection with the activities funded by the State of Michigan through funds made available by the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5.

5.100 Buy Michigan Preference

A preference is given to products manufactured or services offered by Michigan-based firms if all other things are equal and if not inconsistent with federal statute (see MCL 18.1261).

5.110 Non- Discrimination

The Grantee shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and other civil rights laws applicable to recipients of Federal financial assistance (see RFP Section 2.201 Non-Discrimination).

5.120 Prohibition on Use of Funds

None of the funds made available under this grant may be used for any casino or other gambling establishment, aquarium, zoo, golf course, swimming pools, or similar projects.

5.130 False Claims Act

The Grantee shall promptly refer to an appropriate federal inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor or other person has committed a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds.

5.140 Conflicting Requirements

Where ARRA requirements conflict with existing state requirements, ARRA requirements control.

5.150 Job Opportunity Posting Requirements

Grantee shall post notice of job opportunities created in connection with activities funded in whole or in part with ARRA funds in the Michigan Talent Bank, www.michworks.org/mtb.

ADDENDUM II TO PART II – GENERAL PROVISIONS

5.020.1 Buy American Requirement (Section 1605)

-Designated country means:

- (1) A World Trade Organization Government Procurement Agreement country,
- (2) A Free Trade Agreement (FTA) country, or
- (3) A United States-European Communities Exchange of Letters country

Countries not in the Addendum to Part II include Bahrain, Canada, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Morocco, Nicaragua, Oman and Peru.

5.090.1 Publication

- a. You are encouraged to publish or otherwise make publicly available the results of the work conducted under the award.
- b. An acknowledgement of Federal support and a disclaimer must appear in the publication of any material, whether copyrighted or not, based on or developed under this project as follows:

Acknowledgement: "This material is based upon work supported by the Department of Energy under Award Number(s) *DE-EE0000753*."

Disclaimer: "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, make any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

**Attachment A
(project proposal)**

**Attachment B
City of Owosso
MEO-11-81**

Line Item	Grantor (State)	Grantee	Other	Total
Personnel/Fringes		1,245		1,245
Contractual Services		1,870		1,870
Equipment	29,000	3,400		32,400
Supplies/Materials				
Travel				
Other				
Indirect				
TOTALS	29,000	6,515		35,515

**Attachment C
(reserved)**



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

TO: Owosso City Council
FROM: Donald D. Crawford, City Manager
DATE: November 7, 2011
SUBJECT: Annual Liquor License Inspections

The liquor license rules and regulations approved by the City Council provides, in part, as follows:

RENEWAL OF LICENSE AND PERMITS. The City Manager shall implement the provisions of this paragraph in such a manner as to provide for investigating each licensed establishment once every three years. Not less than one hundred twenty days prior to the renewal by the Liquor Control Commission of a liquor license and its permits, the City Manager shall cause to be conducted an investigation in accordance with paragraph 6 below. A written report of the results of the investigation shall be forwarded to the City Council. Following its review of the report, the City Council shall determine whether there is sufficient cause to request that the Liquor Control Commission not renew the license. If so, the City Council shall schedule and conduct a public hearing pursuant to paragraph 7.

When the inspection process was initiated, it was anticipated that approximately one-third of the licensed establishments would be inspected each year. The Deputy Director-Fire, Deputy Director-Police, and Building Official recently completed inspections for eight licensed establishments. A list of the establishments that were inspected is attached. Full text of the report is available in the Clerk's Office.

In as much as the establishments were found to be in compliance with the rules and regulations, I am recommending no further action regarding the renewal of their licenses.

MEMORANDUM

TO: Michael S. Rau, Deputy Director - Police
 Michael R. Bradley, Deputy Director - Fire
 Gary Palmer, Building Inspector

FROM: Amy K. Kirkland, City Clerk

DATE: September 20, 2011

RE: Annual Liquor License Inspections

Following is the list of establishments with liquor licenses that need to be inspected as part of the on-going program to inspect each establishment once every three years:

Type of License	License #	Name of Licensee	Address of Establishment	Permits	Date of Inspection	Date for Re-inspection
CLUB	196894-2011	American Legion Post 57	201 East Mason Street	Sunday Sales (PM), Danc-Ent	09/2011	09/2014
SDM SDD	115697-2011 70371-2011	Eastside 5 & 10 Kendall-King, Deborah	426 ½ East Main Street	On Prem Seating	09/2011	09/2014
CLUB SDM	125400-2011 125401-2011	Fraternal Order of Eagles	308 N Washington Street	Sunday Sales (PM), Dance	09/2011	09/2014
CLS C SDM	4664-2011 13424-2011	Hickory Lounge Hickory Corp.	311 Corunna Avenue	Sunday Sales (PM), Danc-Ent	09/2011	09/2014
CLS C SDM	113490-2011 113491-2011	Korner Pub Gleastone, Inc.	1017 West Main Street	Sunday Sales (PM), Dance, OD-Serv	09/2011	09/2014
CLS C SDM	132957-2011 132958-2011	Rainbow Bar, Inc. Liquid Rainbow, Inc.	905 West Main Street	Sunday Sales (PM), Official Permit (Food)	09/2011	09/2014
CLS C SDM	1385-2011 1018-2011	Risto's Bistro Risto, Inc.	115 S Washington Street	Sunday Sales (PM), Danc-Ent	09/2011	09/2014
CLS C SDM	7787-2011 19356-2011	Sportsmen's Inn Rooster Interprises, Inc.	1011 West Main Street	Sunday Sales (PM)	09/2011	09/2014

These inspections are done in accordance with the Liquor Licenses and Permits Rules and Regulations adopted by the Owosso City Council on December 21, 1998. A copy of the Rules and Regulations are on the network under "Virtual Clerk – Policies – Policies Rules and Regulations".

A requirement of the inspection process includes review of County Health Department inspection reports for the prior 12-month period. I have made a written request to that entity and will forward a copy to you when I receive a response.

Another requirement is to have the Police Department review police files or other sources of information to determine whether any activity in connection with the licensed premises is in violation of the law, disturbs the public peace and tranquility or contributes to the disruption of the normal activities of those in the neighborhood of the licensed premises.

I have attached an example inspection form for your review, Mike Rau will have the original forms. Please complete the inspections and return the completed Compliance Reports and any related inspection information to me as soon as possible as I'd like to have the inspections completed by the end of October.

Minutes of the **October 18, 2011**, regular meeting
of the **Owosso Historical Commission** held
at Curwood Castle, 7:00 p.m.

Members Present: Chairperson Piper Brewer, and members Michael Erfourth, Shaffer Fox, JoEllen Hartley, Crystal Smith, Lorraine Weckwert, and Gary Wilson.

Members Absent: City Treasurer Ron Tobey. Charles Wascher was absent due to illness.

Guests Present: Gordon Pennington.

Due to Secretary-Treasurer Ron Tobey's scheduled absence from this meeting, he prearranged for Shaffer Fox to serve as secretary for this meeting. Shaffer Fox agreed to the request.

The meeting was called to order at 7:00 p.m. by Chairperson Brewer.

Shaffer Fox arrived at the meeting at 7:05 p.m.

There were no citizen comments.

The Treasurer's Report was reviewed. A motion was made by Michael Erfourth to accept the Treasurer's Report. The motion was seconded by Jo Ellen Hartley and carried.

Lorraine Weckwert and Gordon Pennington arrived at the meeting at 7:09 p.m.

It was reported that Gary Wilson and Mitchell Spears (a Curwood Castle docent) sorted the between 1,000 and 1,500 donated Curwood books according to conditions of the books, etc.

Gary Wilson suggested that the Owosso Historical Commission should not sell, but should retain, the best of the donated Curwood books – and that a library of those books should be created. He further suggested that three copies of each edition of the donated Curwood books also should be retained for the library.

Further planning for the sale of some of the donated Curwood books during the Christmas season was continued. Members agreed that the books will be presented for sale to the public during an event scheduled for Saturday, December 3rd, from 10:00 a.m to 5:00 p.m., and Sunday, December 4th, from 1:00 p.m. to 5:00 p.m. Gary Wilson stated that he believes the donated Curwood books will be ready for presentation to the public by the selected dates. Members agreed that the books will be displayed in the basement of Curwood Castle, and that shelves need to be set up to display the books. Michael Erfourth offered to provide some of the shelves. Members agreed that the display of books will be set up the night before the event. Members agreed that no food or drinks will be served during the event. Members were informed by Chairperson Brewer that she had arranged for train sets (that were donated along with the books) to be set up and operating for the event.

Discussions continued from prior Owosso Historical Commission meetings concerning the replacement of the "Welcome to Owosso" signs located at primary highway entrances to Owosso. To insure continuity with the styles of wayfinding signage system being developed by the Owosso Main Street Organization, the Owosso Historical Commission previously agreed to delay replacing the "Welcome to Owosso" signs until October of 2011. It was projected six months ago that design of the wayfinding system may be completed by October of 2011.

During tonight's meeting of the Owosso Historical Commission, it was explained that Gordon Pennington's company, Burning Media, was the company the Owosso Main Street Organization officially selected from dozens of competitors to design Owosso's wayfinding signage system – and that design of the system is underway.

Gordon Pennington gave a presentation, which included graphics, of Owosso's historical assets, and suggestions for marketing of those assets. He also showed examples of designs for signs to be used in the wayfinding system. As for the "Welcome to Owosso" signs, Gordon Pennington stated that his firm will design the new signs for free, if the fabricator of the signs agrees to build the signs at cost.

Gary Wilson made a motion that the Owosso Historical Commission will allow the Owosso Main Street Organization and the City of Owosso to develop new entry-portal signs that are stylistically compatible with the wayfinding signs being developed. The current entry-portal signs will remain in place until installation of the new signs. The motion was seconded by Shaffer Fox and carried.

Members discussed setting a fee for users of the Gould House. Jo Ellen Harley made a motion to charge the Owosso Musicale and other designated organizations \$40.00 per use of the Gould House. The motion was seconded by Crystal Smith. Shaffer Fox requested further discussion. Chairman Brewer refused to allow further discussion. The motion was carried.

It was reported that Michael and Voula Erfourth painted all three sets of exterior steps at the Gould House.

Lorraine Weckwert reported that M. J. Seamless Gutters provided a bid to replace the gutters at the Gould House with gutters that will match the trim color and special hangers for \$215.00. Lorraine Weckwert made a motion to accept the bid. The motion was seconded by Michael Erfourth. The motion was carried.

Adjournment

Chairman Brewer adjourned the meeting at about 8:40 p.m.

Minutes recorded and respectfully submitted by
Shaffer Fox

**MINUTES
REGULAR MEETING OF THE OWOSSO ZONING BOARD OF APPEALS
CITY OF OWOSSO
OCTOBER 18, 2011**

The meeting was called to order by Chairman Randy Horton at 9:32 a.m.

Roll call was taken by Recording Secretary, Marty Stinson.

MEMBERS PRESENT: Chairperson Randy Horton, Board Members Christopher Eveleth, Daniel Jozwiak, and Alternate Matthew Grubb.

MEMBERS ABSENT: Burton Fox, Kent Telesz, and Elizabeth Frasier (alternate and excused).

OTHERS PRESENT: Adam Zettel, Assistant City Manager and Director of Community Development; and Terry Carriveau, property owner of 628 Adams Street.

MINUTES: It was moved by Board Member Eveleth and supported by Board Member Grubb to approve the minutes of the meeting of July 19, 2011.

AYES: All. Motion carried.

NAYS: None.

COMMUNICATIONS:

1. Staff memorandum
2. ZBA minutes from July 19, 2011
3. Variance request materials - 628 Adams St.

COMMISSIONER/PUBLIC COMMENTS: None.

PUBLIC HEARINGS:

1. Variance Request - 628 Adams #2011-03

Mr. Terry Carriveau, owner of 628 Adams, stated that his current garage sets north and is a side entry garage. He can't get his truck into the garage. At this time he can't sell his house, especially when the garage is unusable. When the garage was built it was only two feet off the side and 23 feet off the back property line. This is a smaller lot than usual. He needs to build a pole barn structure because he doesn't want to undermine what is already there with the current garage's support system.

Commissioner Grubb asked if the siding would match. Mr. Carriveau replied yes. Mr. Grubb asked if it would still have the side entry and just add a garage bay. Mr. Carriveau replied yes. It's particularly difficult in the wintertime to jockey around to get into the garage as it is now.

Commissioner Dan Jozwiak asked when the garage was built. Mr. Carriveau stated more than 20 years ago. Mr. Adam Zettel, Assistant City Manager and Director of Community Development, stated he didn't know when the garage was built.

Chairman Horton read three responses received from the public after notices were mailed to neighbors within 300 feet of 628 Adams. Ms. Diane Carey, 652 Adams Street called in and said that she was fine with the proposed improvements to this address. Ms. Kathleen Price, 618 Adams stated the variance was OK with her; and Ms. Sarah Holmes, 634 Adams stated she was OK with the garage variance.

Mr. Carriveau stated that people are doing a lot of things in his neighborhood and they all help each other.

Mr. Adam Zettel reviewed the basic and special conditions for this variance as below:

- a. *Basic conditions.* In order to qualify for a variance, the applicant must show that a variance:
 1. Will not be contrary to the public interest or to the intent and purpose of this chapter; **Staff finds no issues, subject to ZBA review. This lot is more narrow than most. Most garages are front facing. This is unique in that it is side facing.**

2. Shall not permit the establishment within a district of any use which is not permitted by right within that zone district, or any use or dimensional variance for which a conditional use permit or a temporary use permit is required; **Staff finds no conflicts or concerns**
 3. Is one that is unique and not shared with other property owners; **Staff finds this set of circumstances to be relatively unique (side load garage on narrow lot)**
 4. Will relate only to property that is under control of the applicant; **Staff cannot identify any other properties that demonstrate the same criteria in the neighborhood**
 5. Is applicable whether compliance with the strict letter of the restrictions governing area, set backs, frontage, height, bulk or density would unreasonably prevent the owner from using the property for a permitted purpose or would render conformity with such restrictions unnecessarily burdensome; **Subject to ZBA review. If this were to conform to setbacks, he wouldn't be able to build anything.**
 6. Was not created by action of the applicant (i.e. that it was not self-created); **Staff does not find the hardships to be self-created**
 7. Will not impair an adequate supply of light and air to adjacent property or unreasonably increase the congestion of public streets or increase the danger of fire or endanger the public safety; **Staff believes the attached structure model is more efficient than the detached garage model and will not be contrary to this requirement**
 8. Will not cause a substantial adverse effect upon property values in the immediate vicinity or in the district in which the property of the applicant is located; **Staff finds to indications of such, subject to ZBA review**
 9. Is applicable whether a grant of the variance applied for would do substantial justice to the applicant as well as to other property owners in the area, or whether a lesser relaxation than that applied for would give substantial relief to the owner of the property involved and be more consistent with justice to other property owners. **Subject to ZBA review**
- b. *Special conditions.* When all of the foregoing basic conditions can be satisfied, a variance may be granted when any one (1) of the following special conditions can be clearly demonstrated:
1. Where there are practical difficulties or unnecessary hardships which prevent carrying out the strict letter of this chapter. These hardships or difficulties shall not be deemed economic, but shall be evaluated in terms of the use of a particular parcel of land; **The argument is that the side-load garage is practically difficult to make reasonable use of (parking of a truck); subject to ZBA review**
 2. Where there are exceptional or extraordinary circumstances or physical conditions such as narrowness, shallowness, shape, or topography of the property involved, or to the intended use of the property, that do not generally apply to other property or uses in the same zoning district; **Such features exist, but the narrowness of the lot is not unique. The narrowness combined with a side load garage is more unique. The ZBA must deliberate on this point and issue findings.**
 3. Where such variation is necessary for the preservation of a substantial property right possessed by other properties in the same zoning district. **No determination or finding by staff**

After this review, Mr. Zettel, stated that staff can comfortably recommend approval. He also stated houses were built before auto dominance, but now it's a right for homeowners. Commissioner Jozwiak agreed with Mr. Zettel's summation.

Public Hearing was closed.

BUSINESS ITEMS:

1. Variance Request - 628 Adams #2011-03

Motion by Board Member Jozwiak, supported by Board Member Eveleth that the Owosso Zoning Board of Appeals, finding the use and structure at 628 Adams Street, parcel number 050-250-035-005-00, to be a Class A non-conforming use hereby approves the petition to permit the construction of a garage addition with a 2' setback on the northern (side) property line and a 23' setback on the eastern (rear) property line as illustrated in the attached petition dated September 19, 2011.

AYES: All. Motion carried.

NAYS: None.

BOARD / CITIZEN / STAFF COMMENTS:

Mr. Zettel commented that the board will have another variance request in November for the Hoddy House on the corner of W. Oliver and N. Shiawassee St. It happens to fall on November 15 (first day of deer hunting season). Consensus was taken and they will have a quorum for that day.

ADJOURNMENT:

Motion by Board Member Eveleth, supported by Board Member Jozwiak to adjourn at 10:01 a.m.

Dan Jozwiak, Secretary

m.m.s.

CITY OF OWOSSO
ZONING BOARD OF APPEALS
REQUEST FOR HEARING

NOTE TO APPLICANTS:

1. All applications received by the 25th of the month will be heard on the 3rd Tuesday of the following month at 9:30 a.m., lower level of City Hall.
2. The applicant, or legal representative of the applicant, must be present at the Public Hearing for action to be taken.
3. In order that this application may be processed, the applicant must complete Page 1 of this form and make payment of a non-refundable fee of \$90.00 to the City Treasurer's Office to cover costs the City incurs.
4. Questions about this application may be directed to (989) 725-0540.

Request is hereby made to the City of Owosso for a hearing before the Zoning Board of Appeals for one or more of the following:

- Variance
- Administrative Interpretation
- Class A Non-Conforming Status or Expansion
- Appeal of Staff or "Board" Decision
- Exception/Special Approval

APPLICANT: TERRY CARRIVEAU & HEIDI CARRIVEAU
 ADDRESS: 628 ADAMS ST LOCATION OF APPEAL: SAME
OWOSSO, MI 48867
 PHONE NO.: (989) 413-6220 DATE APPEAL FILED: 19 Sept 2011

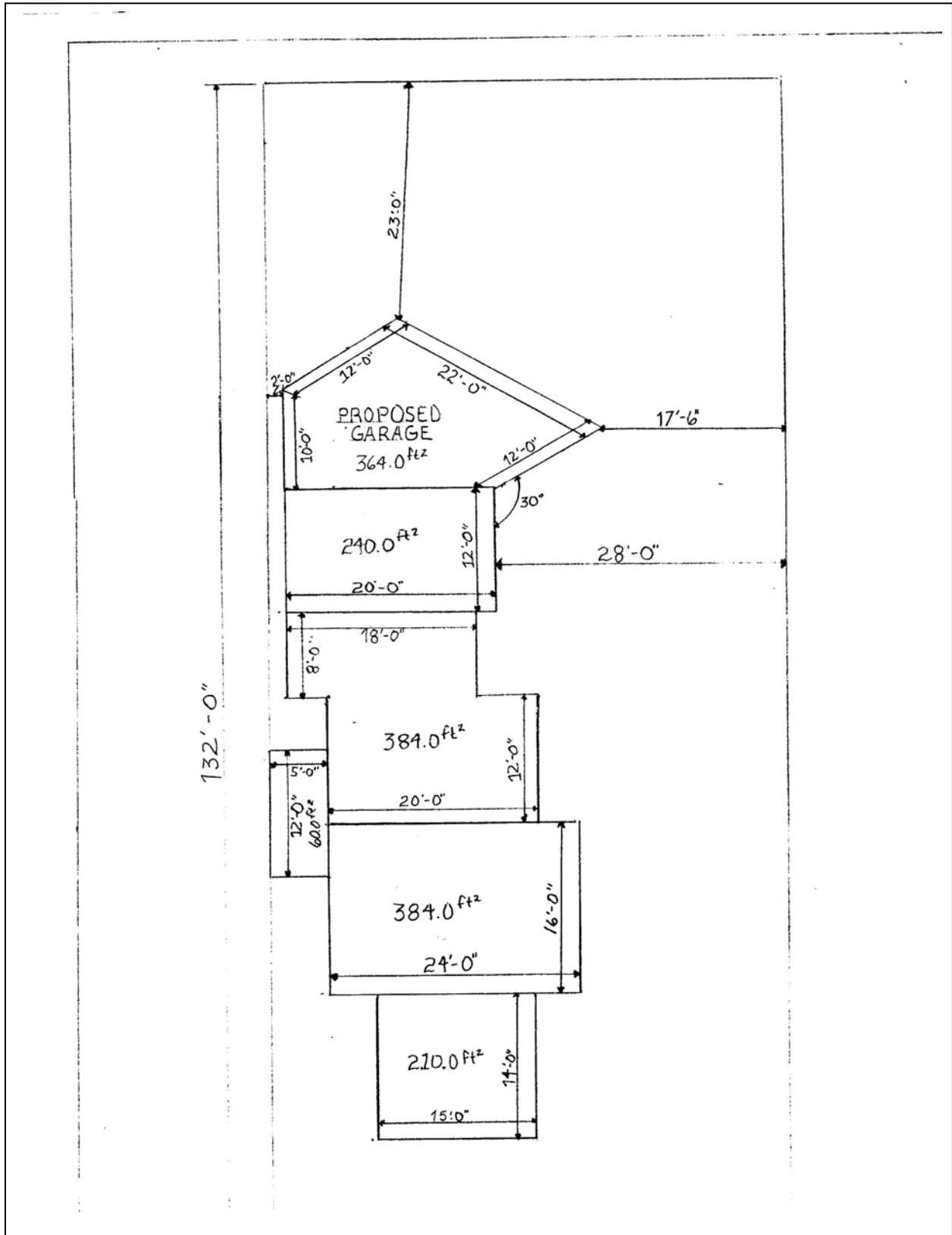
APPEAL: (Indicate all data pertinent to this case, both present and proposed.)
set back proposed to follow existing building on side yard
of 2'-0" AN set back of 35'-0" TO BACK Lot LINE TO
23'-0" FOR PROPOSED GARAGE

If this is a variance request, indicate how the strict enforcement of the Zoning Ordinance would result in practical difficulty to the property owner, and how this difficulty is peculiar to the property.
 (Note: For a dimensional variance it is necessary to submit a site plan with this application.)

I AM CURRENTLY UNABLE TO USE EXISTING GARAGE
FOR THE PARKING OF MY TRUCK. I AM UNABLE TO
TURN INTO GARAGE, SUB LOAD GARAGE ON A SMALL LOT
AND CURRENTLY GARAGE AND WILL NOT ACCOMMODATE OUR NEEDS

I hereby state that all above statements and any attached documents are true and correct to the best of my knowledge.
Terry Carriveau
 Signature of Applicant

rec # 229953



MINUTES FOR
REGULAR MEETING
OWOSSO HISTORIC DISTRICT COMMISSION
OCTOBER 19, 2011 at 6:00 p.m.
COUNCIL CHAMBERS / CITY HALL

MEETING WAS CALLED TO ORDER at 6:01 p.m. by Chairperson Scott Newman.

Chairperson Newman welcomed the new board member, James Eaton.

ROLL CALL was taken by Recording Secretary Marty Stinson.

MEMBERS PRESENT: Chairperson Scott Newman, Vice-Chairperson Vincent Gonyou, Commissioners James Eaton, Lance Omer, and Gary Wilson.

MEMBERS ABSENT: Secretary Phil Hathaway and Commissioner Matthew Van Epps.

OTHERS PRESENT: Sarah Warren-Riley, Housing Program Manager; Diane Shack, representative for the business owner of Ashleigh's Dance Shack, 206 – B W. Main Street.

AGENDA APPROVAL: Motion by Commissioner Eaton and supported by Commissioner Omer to approve the agenda for October 19, 2011 with the addition of business item # 3, Application for a sign at 206 – B W. Main Street .

Yeas: All. Motion was passed.

MINUTES APPROVAL: Motion by Commissioner Wilson and supported by Commissioner Omer to approve the minutes of the meeting for July 20, 2011,

Yeas: All. Motion was passed.

COMMUNICATIONS:

- 1) Staff memorandum
- 2) Meeting minutes of July 20, 2011
- 3) Robert Christensen email

PUBLIC COMMENTS: None.

COMMITTEE REPORTS: None.

PUBLIC HEARINGS: None.

ITEMS OF BUSINESS:

1) Election of Officers

Motion by Commissioner Omer and supported by Commissioner Wilson to select Scott Newman to serve as Chairperson; Vincent Gonyou to serve as Vice-Chairperson; and Phil Hathaway to serve as Secretary for a term of approximately one year, ending at the next annual meeting in September, 2012.

Yeas: All. Motion was passed.

2) National Register

Chairperson Newman referred to e-mail communications that he had with Bob Christensen from National Register of Historic Places; Adam Zettel, City of Owosso Community Development Director; Robbert McKay, State Historic Preservation Office; and Lorraine Weckwert, volunteer for historic preservation. Mr. Newman mentioned that he did not involve other board members in these communications to avoid any misunderstandings with the Open Meetings Act. He stated that money for historic preservation used to be easy to get, but with Governor Snyder's cuts and with the new program, money is not so available.

The first e-mail from Bob Christensen sounded like he was disappointed that Owosso is no longer interested in pursuing a national register designation. Mr. Zettel replied that Owosso was very interested and just waiting for the dust to settle on the topic. It was noted that the applicants would have to use federal funds first and then state funds. Federal funds require a larger project; state funds can work with smaller investments.

Mr. Newman replied to both Mr. Christensen and Mr. Zettel that he would love to obtain a National Register designation for downtown Owosso. However his first obligation is to the downtown building owners. He didn't think we were ready yet for the national designation.

Mr. Robbert McKay's e-mail noted that the state's new development assistance program will be exceptionally competitive and has the potential to be extremely political and is remarkably likely to be difficult for small projects. He also noted that at this point, not getting your downtown listed on the National Register and thus eligible for Federal Historic credits is simply insuring that projects in your community will have an even more difficult time finding and accessing the dwindling resources available to support downtown investment and revitalization.

Chairperson Newman stated that Mr. Guy Bazzani has done about 150 restorations and is an expert in these. He believes very strongly in the state. Yet, the state officials think we should go national.

Ms. Weckwert advised staying with the state and echoed Mr. Bazzani's advice.

Mr. Christensen noted in an e-mail to Mr. Zettel that the National Register will be meeting on the 20th (tomorrow) and is prompting for a decision as time is running out.

Mr. Newman stated Mr. Christensen is offering money to make an application to the national registration nomination with no local match required.

Commissioner Wilson stated that we have very knowledgeable people advising us. Mr. Bazzani says the federal registration is an obstacle to state credits; McKay says state credits are going away. We need clarification. We are not in a place to make a decision today.

Commissioner Omer noted that state officials aren't even in the know – who do we contact? Commissioner Wilson said we need to get Bazzani, Christensen and McKay in one place and get some questions out there.

Chairperson Newman said we need to indicate tonight because of the October 20 deadline. He doesn't know who to believe. Commissioner Wilson said the new state program hasn't been passed yet.

Commissioner Eaton said it doesn't commit us and he likes Commissioner Wilson's suggestion to invite those in the know to come to a meeting. Commissioner Wilson said that Bob Christensen has done a lot for Owosso before and after the Historic District Commission began. He's very invested in Owosso. He doesn't want to lead us down a path. Mr. Wilson wants to see us have more information before we register.

Chairperson Scott feels we don't even need this money. He thinks we can put the application together with our own people here in town. Commissioner Eaton said it would be nice to have money to pay staff. As long as we're honest that it doesn't mean that we're going to do it.

Chairperson Newman asked if he could e-mail Bob Christensen that information.

Motion by Commissioner Eaton and supported by Commissioner Omer to allow Chairperson Newman to contact Bob Christensen to be in consideration, but not pursue a definite designation yet.

Yeas: All. Motion was passed.

3) 206 - B W. Main St. (Sign)

Ms. Diane Shack made the application for her daughter, Ashleigh. They have a temporary banner, but want to pursue a permanent sign. Brian Godfrey owns the building. Chairperson Newman noted that the commission works to keep the signs on the same level on the downtown buildings. Application appears to be above the current sign. The downstairs business is dominating the middle section of the overhang. He suggested Ms. Shack go back to the landlord, Mr. Brian Godfrey, and see if the first floor business could move their sign over to make room for their sign.

It was also noted that the sign needs a wood or metal frame. It was requested that the application be resubmitted with the corrected property owner name and correct drawing. Sign is to be placed on the overhang.

Motion by Commissioner Eaton and supported by Commissioner Omer to extend the temporary banner permit for 30 days.

Yeas: All. Motion was passed.

PUBLIC COMMENTS: None

COMMISSIONER COMMENTS: None

ADJOURNMENT:

Motion by Commissioner Omer and supported by Commissioner Eaton to adjourn the meeting at 6:50 p.m.

Yeas: All. Motion was passed.

Phil Hathaway, Secretary

REGULAR MEETING OF THE OWOSSO PLANNING COMMISSION
Council Chambers, City Hall
October 24, 2011 – 7 pm

Meeting was called to order at 7:01 p.m. by Chairman William Wascher.

The Pledge of Allegiance was recited by all in attendance.

Roll Call was taken by Recording Secretary Marty Stinson.

MEMBERS PRESENT: Chairman William Wascher, Secretary Melvin Renfrow, Commissioners David Bandkau, Terry Brown, Burton Fox, Cindy Popovitch, Brent Smith, and Thomas Taylor.

MEMBERS ABSENT: Vice-Chairman Francis Livingston

OTHERS PRESENT: Adam Zettel, Assistant City Manager and Director of Community Development.

AGENDA APPROVAL:

MOTION BY COMMISSIONER FOX, SUPPORTED BY COMMISSIONER POPOVITCH TO APPROVE THE AGENDA FOR OCTOBER 24, 2011 AS PRESENTED.

YEAS ALL. MOTION CARRIED.

MINUTES APPROVAL:

MOTION BY COMMISSIONER POPOVITCH, SUPPORTED BY COMMISSIONER TAYLOR TO APPROVE THE MINUTES OF THE MEETING OF SEPTEMBER 26, 2011.

YEAS ALL. MOTION CARRIED.

COMMUNICATIONS:

1. Staff memorandum
2. PC minutes from September 26, 2011
3. Focus group list notes

COMMISSIONER/PUBLIC COMMENTS: None

PUBLIC HEARING: None

SITE PLAN REVIEW: None

BUSINESS ITEMS: None

ITEMS OF DISCUSSION:

1. Master Plan Survey Report

Mr. Zettel, Assistant City Manager and Director of Community Development, received quite a few surveys last week. He expects 300 – 400 by the end of the survey. Some people received duplicate surveys and he noted that they did try to sort out duplicate labels. He doesn't have any results to report on yet and they are still receiving surveys even though the deadline was last Friday, the 21st. The bulk mailing took a lot longer to deliver than expected – some up to six days.

Discussion about the Focus Groups was reported. Mr. Zettel noted that experts were brought into each group. Each was centered on:

1. Goals & Values
2. Strengths, Weaknesses
3. Implementations & Strategies.

The groups were:

1. Economic Development
2. Education & Healthcare
3. State Highways
4. Westown

The groups ranged from four to five members up to ten. The State Highways is still controversial. Commuters want to drive quickly through town; and others want a slower pace streetscape setting on the state highways. Mr. Zettel reviewed the recommendations and found that there are three things that the city can be doing: code enforcement; blight enforcement; and stabilization of the neighborhoods. We need to encourage home ownership with 50% or more ownership and then the value of the houses will go up. Enforcement will encourage some landlords to sell out to the occupants. It's a slow process. Maybe we can get some enhancement grants; corridor improvement authority could bring on changes. It takes a long time to accomplish.

Discussion continued about Baker College and the student residential needs and possibilities. Ms. Sarah Warren-Riley will have a focus group meeting on housing and will bring in some other experts.

Westown corridor and the neighborhoods surrounding that area was another focus group discussion. Mr. Zettel is encouraged with the responses. People are interested and excited about the potentials.

In December he may have a draft ready; January, February may have some public presentations and feedback; in March it may be ready for the City Council. Then it would have about 60 – 90 days for the public to examine it before it can be adopted.

Commissioner Renfrow asked about speaking with the Historical Society about the historical houses. Mr. Zettel responded that the Historical Downtown District not so much, but the Historical Commission yes. The Shiawassee Arts Council, not so much. Education needs to be a priority in the community. Dr. Andrea Tuttle has a lot of good ideas.

COMMISSIONER/STAFF COMMENTS:

Chairman Wascher asked about the conference last week. Mr. Zettel said there was lots of "good stuff". Commissioners Brown and Renfrow attended and received certificates. Commissioner Renfrow commented that it was an eye-opening experience. That he learned about some new ideas to consider and that maybe meeting with other boards occasionally would be a good idea. Commissioner Brown said it was interesting to hear with other communities are addressing also.

ADJOURNMENT:

**MOTION BY COMMISSIONER FOX, SUPPORTED BY COMMISSIONER BROWN TO ADJOURN AT 8:41 P.M.
YEAS ALL. MOTION CARRIED.**

m.m.s.

Melvin Renfrow, Secretary

**Minutes
Regular Meeting of the Parks & Recreation Commission
Council Chambers, City Hall
October 24, 2011 – 6 p.m.**

The meeting was called to order at 6:01 p.m. by Chairperson Ladd.

Roll call was taken by Recording Secretary Marty Stinson.

Members Present: Commissioners Sherri Chavora, Michael Espich, Jeff Selbig, Vice-Chairperson Jerry Hebekeuser and Chairperson Marsha Ladd.

Members Absent: None

Others Present: Adam Zettel, Assistant City Manager and Director of Community Development; Councilmember Gary Martenis.

Approve Agenda for October 24, 2011:

A motion to approve the agenda as presented by Commissioner Espich and supported by Commissioner Hebekeuser.

Ayes: all, motion carried

Approve Minutes from September 26, 2011 meeting:

A motion to approve the minutes from the September 26, 2011 meeting was made by Commissioner Chavora and supported by Commissioner Espich.

Ayes: all, motion carried

Public Comments: Councilmember Gary Martenis wanted to express his thanks to former City Manager Joe Fivas and former Community Development Director Brent Morgan for reviving the Parks and Recreation Commission. Then he thanked Adam Zettel, current Community Development Director and Assistant City Manager for keeping the commission running. He also thanked Commissioner Hebekeuser and Chairman Ladd who were original members. He thanked Commissioner Chavora who has done so much for the Parks and Recreation Commission. The commission is in worthy hands and he knows that at the end of his council term that the commission will continue well.

Commissioner Chavora thanked Councilmember Martenis for being a committed audience member at the Parks and Recreation meetings.

Mayor Ben Frederick thanked Councilman Martenis for his work with the Parks and Recreation Commission. The commission has validated the work that he and Gary brainstormed about four years ago at the same table that the Parks and Recreation Commission are sitting at right now.

Commissioner Hebekeuser praised Mr. Zettel and the city staff for working so well with the Parks and Recreation Commission.

Communications:

1. Staff memorandum
2. September 26, 2011 minutes
3. Fundraising report

Business:

1. Fund Raising Updates

Mr. Zettel stated that things are getting sold on the Bentley Park wish list. Funds now total \$37,189.26 including \$15,000 from the city.

Commissioner Chavora noted that Home Depot has several applications on-line that they want the Commission to apply for. Commissioner Hebekeuser received a \$10 donation for the Kiwanis fund while he was at Roma's Restaurant. He turned that over to Ms. Chavora. Ms. Chavora also noted that she received a \$10 donation from someone at the Scarecrows in the Park event.

Chairperson Ladd stated that the Shiawassee Community Foundation doesn't take applications until December.

Commissioner Chavora is now working on the Glo Parade. Commissioner Selbig noted the Bark Park had 21 entries at a recent event.

2. Recreation Passport Grant Updates

Mr. Zettel reported that the first round application received 150 points out of a possible 200 points. He noted that site access and sustainability received poor scores. He re-worded the grant to show ADA accessibility. This park functions as a regional park in nature, even though it's smaller than most regional parks. \$600,000 is available to be distributed with up to \$30,000 going to each park. Forty communities were asked to resubmit their plan, so Mr. Zettel thinks Owosso may have a 50/50 chance. He is hopeful that by December the city will hear of something, but it may be as late as January or February. Mr. Zettel is hopeful that the city will get some award.

Commissioner Chavora asked how much would go to the gazebo. Mr. Zettel said maybe \$2,000 along with \$3,000 already pledged from elsewhere. Ms. Chavora suggested a better use for the money as the music from the gazebo can only be heard about 20 feet from the gazebo. She also suggested that the chimney from the pavilion at Bentley Park be removed. It blocks the view and the music when trying to use the pavilion. She also noted the inconvenience of having all the tables chained together which prevents using the pavilion in a more versatile manner.

Chairperson Ladd added that the gazebo and pavilion are too far apart to use the gazebo as a band stand. You can't hear to the pavilion what is played in the gazebo.

Mr. Zettel stated it would be a massive undertaking to remove the chimney from the pavilion.

Commissioner Chavora also noted that Rugged Liner Co. at 200 Universal Drive wanted people to park in the lot rather than along the driveway on the grass. Next year they will need to make some appropriate signs.

Commissioner Comments:

Commissioner Chavora asked for an update about ice skating rinks. Mr. Zettel has been checking with others. He asked if we needed a liner. He is getting much positive reaction about installing a rink. Most suggest either Bentley Park or the Adams Park (on Chestnut St.). No one could remember having to use a liner previously. Mr. Zettel stated if we don't have to use a liner, that was good news. It would be easier to get the water and volunteers.

Ms. Chavora then asked about the disc golf. Commissioner Selbig noted that Jeff Peltier was drawing up some plans. Councilmember Martenis said City Engineer Ron Baker need to call Rick Morris.

The BMX bike path is only about half finished and needs more dirt and equipment. They need a Bobcat to finish the work. Councilmember Martenis will follow-up on that situation.

Commissioner Chavora asked about the sledding hill. She said that several parents have shown concern about the hill and wanting to monitor it because it's dangerous. The hill is fast and needs to be more useable. It should be monitored for lack of use. It was commented that McCurdy Park sled hill was too slow for some of the older kids who wanted a faster hill / ride.

Councilmember Martenis wants to meet Commissioner Chavora at Bentley Park and document the concerns there, and then go over to the sledding hill to write down what needs attention there.

Commissioner Chavora noted that the case is open on a light pole at the tennis court at Bentley Park. Mr. Zettel will report that to the DPW.

Commissioner Selbig talked about the sledding hill at the Holman Pool site. He suggested it could have a detour on part of it for a little kid's hill.

Mr. Zettel said they will monitor it this winter and see what can be done. It's a small area at the top; it was made that way to prevent too many going down at the same time and avoiding a major collision.

Mr. Zettel noted that at the November meeting, the commission will have officer elections and establish the 2012 work plan (capital improvements). This may be the year of the community build (the Playscape).

He also noted that the potable water supply at Collamer Park will have to be from a water main. The ground water supply is nasty tasting.

Adjournment:

A motion to adjourn the meeting was made by Commissioner Hebekeuser and was supported by Commissioner Espich. The meeting adjourned at 6:54 p.m.

Ayes: all, motion carried

Marty Stinson, Recording Secretary