

OWOSSO CITY COUNCIL

JANUARY 7, 2013

7:30 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

OPENING PRAYER: REVEREND LESLIE HARDING
CHRIST EPISCOPAL CHURCH

PLEDGE OF ALLEGIANCE: MARK MITCHELL
DPW EMPLOYEE AND RETIREMENT BOARD VICE CHAIRPERSON

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Cindy S. Popovitch, Councilpersons Loreen F. Bailey, Michael J. Erfourth, Christopher T. Eveleth and Burton D. Fox.

ABSENT: Councilperson Thomas B. Cook.

APPROVE AGENDA

Motion by Councilperson Eveleth to approve the agenda as presented.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF DECEMBER 17, 2012

Motion by Mayor Pro-Tem Popovitch to approve the Minutes of the Regular Meeting of December 17, 2012 as presented.

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

Motion by Councilperson Eveleth to suspend the rules of order and add the following item as Consent item 7:

- 7. Boards and Commissions Appointments. Consider the following Mayoral boards and commissions appointments:

Name	Board/Commission	Term Expires
Lorraine Weckwert*	Historical Commission	12-31-2015
Michael Selleck*	Board of Review	12-31-2017

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

ORDINANCE AMENDMENT – CHAPTER 38, ZONING

The proposed amendment would change the zoning on the parcel at 120 Michigan Avenue from RM-2, Multiple Family - High Rise District to PUD, Planned Unit Development District.

A public hearing was conducted to receive citizen comment regarding the proposed amendment to Chapter 38, Zoning, Section 38-27, *Zoning districts and map*.

Assistant City Manager Adam Zettel explained the process for approving a PUD rezoning was more complicated than most rezoning requests due to the fact the site plan for the proposed project is tied directly to the rezoning request. He said the PUD zoning designation was chosen as the set-back requirements for the current RM-2 zoning designation would make redevelopment of the property very difficult. He went on to say that should the Council approve the request before them this evening hearings would be held by both the Planning Commission and the Council to vet the site plan. He further indicated staff was fully supportive of the proposed project and strongly recommended approval of the rezoning request.

Woda Group Senior Vice President of Development P. Craig Patterson was on hand to describe the project and answer any questions. He presented details of the project showing the Council numerous drawings of the proposed development. The intent is to construct an addition to the current structure to house 28 rent subsidized senior living units.

The following people commented regarding the proposed amendment:

Justin Horvath, SEDP president/CEO, indicated the SEDP was very excited about the project hoping to recreate the success of the Woda Group's conversion of the old Durand High School into the Sycamore House senior living facility. He felt the development would be a boon to the downtown community by bringing people into the downtown. He said the Woda Group had a long history of success with similar projects in 13 states. Lastly he noted he supported the rezoning of the property and supports the proposed PILOT.

Eddie Urban, 601 Glenwood Avenue, sought clarification on the age requirements for the finished units. It was noted those 55 and older would be eligible with some exceptions to that requirement for those with disabilities.

At the conclusion of the public hearing there was a discussion on the PILOT (payment in lieu of taxes) agreement that was being proposed. It was noted such agreements were common with this type of development. A formal agreement would be presented to Council for approval at a later date.

Various Council members expressed their support for the proposed project.

Whereas, the Council, after due and legal notice, has met and there being no one to be heard, motion by Councilperson Fox that the following ordinance be adopted:

ORDINANCE NO. 738
AN ORDINANCE AMENDING
CHAPTER 38, ZONING, SECTION 38-27, ZONING DISTRICTS AND MAP,
OF THE CODE OF ORDINANCES
TO REZONE A SPECIFIC PARCEL OF REAL PROPERTY
AND AMEND THE ZONING MAP

WHEREAS, an owner interest in 120 Michigan Avenue, parcel number 050-700-001-008-00, petitioned to rezone this parcel from Multiple Family Residential (RM-2) to Planned Unit Development (PUD) for the purpose of constructing a building addition and using the site for senior housing; and

WHEREAS, the petition includes a development program, supplemental regulations, and a set of conceptual renderings that are officially made a part of the zoning amendment; and

WHEREAS, the planning commission published and mailed notices for the request, held a public hearing on the request, and deliberated on the request; and

WHEREAS, the planning commission found that the proposed ordinance meets the intent and criteria for a zoning amendment as it relates to the master plan and the zoning ordinance; and

WHEREAS, the city staff and planning commission recommend, without reservations or conditions, the rezoning of 120 Michigan Avenue to a PUD; and

WHEREAS, the city council has held a public hearing on this petition; and

WHEREAS, the city council finds that the zoning petition meets the intent and criteria for a zoning map amendment, specifically as it relates to the requirements of Section 38-395.

THEREFORE, THE CITY OF OWOSSO ORDAINS, that Chapter 38, Zoning, of the Code of the City of Owosso be amended as follows:

Section 1. That Chapter 38, Zoning, of the Code of the City of Owosso, Sec. 38-27, Zoning Districts and Map, reflect the changes as illustrated and attached to the record hereto and filed with the city clerk:

Parcel Number:	050-700-001-008-00
Property Address:	120 Michigan Avenue
Property Description:	LOTS 8, 9, 10 & 11 WODDARD SUBDIV BLK 1 A L WILLIAMS ADD

Zoning Designation:	From:	RM-2	Multiple Family Residential
	To:	PUD	Planned Unit Development

Section 2. This amendment shall become effective January 27, 2013.

Section 3. This ordinance may be purchased or inspected in the city clerks' office, Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

Motion supported by Councilperson Erfourth.

Roll Call Vote.

AYES: Councilpersons Bailey, Fox, Mayor Pro-Tem Popovitch, Councilpersons Eveleth, Erfourth, and Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Cook.

CITIZEN COMMENTS AND QUESTIONS

Justin Horvath, SEDP president/CEO, invited all present to attend the SEDP annual meeting February 12th at 6:00 pm at the Baker College Welcome Center. He noted the drop in the unemployment rate over the last 3 years, due in part to the SEDP's work.

Tom Manke, owner of the business at 118 South Washington Street, expressed his happiness with the decrease in the unemployment rate but asked that everyone keep those still in need in mind. He also expressed his objection to the idea of contracting out for the operation of city utilities saying he questioned whether the water quality would remain as high and whether the communities purchasing water from the city would object to outside control of operations. He asked that Council be cautious in exploring the idea.

Eddie Urban, 601 Glenwood Avenue, reported a problem tree in the right-of-way along South M-52 near the base of Gute hill. Staff will look into the matter.

CITY MANAGER REPORT

City Manager Crawford gave a brief detail of the project status report, noting trouble with the tree trimming service employed by Consumers Energy and the City's recent selection as a case study for an MSU planning practicum class.

Councilperson Fox inquired about the status of the Woodland Trails Condominium situation. It was noted the City was awaiting results from the title company as to potential parties with a legal interest in the unsold lots of the development. Mr. Crawford said he felt if the City could take ownership of the lots they could become a controlling party in the development and thus take over jurisdiction of what is now a private street and utilities allowing for the necessary repairs to take place.

There was a brief discussion regarding the status of the house at 1409 West Main including when remodeling on the home must be completed. It was noted 3-4 months remain on the contract and it was thought the owners of the property were working in concert with the schools in an attempt to provide hands-on experience for the building class at the High School.

Mayor Pro-Tem Popovitch inquired about the MSU practicum class and whether Baker students would also be involved in the analysis of the South Washington Street corridor. It was noted that while Baker does not have a Planning program input from Baker students would be welcome.

Councilperson Erfourth inquired whether the City had received DEQ approval for the splash pad yet. It was noted it had not.

Mayor Frederick noted the City was honored to receive another donation for the Veterans' Memorial at Fayette Square. It is anticipated two additional benches will be installed at the end of spring thanks to this most recent donation.

CONSENT AGENDA

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

Set Public Hearing – Site Plan Review 120 Michigan Avenue. Set a public hearing for Monday, February 4, 2013 to receive citizen comment regarding review of the site plan for the Planned Unit Development at 120 Michigan Avenue (the former Lincoln School) as follows:

RESOLUTION NO. 01-2013

A RESOLUTION TO SET A PUBLIC HEARING TO HEAR ALL PERSONS INTERESTED IN A SITE PLAN REVIEW FOR THE PLANNED UNIT DEVELOPMENT LOCATED AT 120 MICHIGAN AVENUE

WHEREAS, an owner interest in 120 Michigan Avenue, parcel number 050-700-001-008-00, petitioned to rezone this parcel from Multiple Family Residential (RM-2) to Planned Unit Development (PUD) for the purpose of constructing a building addition and using the site for senior housing; and

WHEREAS, the final result of this petition is expected to be made by the Owosso City Council on January 7, 2013; and

WHEREAS, pending the outcome of this petition, the planning commission is going to review the subsequent site plan for this parcel on January 14, 2013; and

WHEREAS, pending the outcome of this review, the city council is expected to hold a public hearing on the same site plan.

BE IT RESOLVED THAT City of Owosso City Council, County of Shiawassee, State of Michigan, hereby sets a public hearing for February 4, 2013 in the city council chambers within city hall, 301 West Main Street, Owosso, MI 48867 to hear all persons interested in the proposed amendment to the official zoning map of the City of Owosso.

BE IT FURTHER RESOLVED THAT the same council hereby directs staff to supply a public notice concerning the rezoning to a newspaper of general circulation within the city.

BE IT FURTHER RESOLVED THAT the same council hereby directs staff to cancel this public hearing if, by determination of the planning commission or staff, the review of the site plan is ineligible or otherwise unnecessary.

2013 Income Threshold Poverty Exemptions. Adopt the 2013 Income Threshold Poverty Exemptions, as required by Public Act No. 390 of 1994 as follows:

Size of Family Unit	Poverty Guidelines
1	\$ 11,170
2	\$ 15,130
3	\$ 19,090
4	\$ 23,050
5	\$ 27,010
6	\$ 30,970
7	\$ 34,930
8	\$ 38,890

For each additional person \$ 3,960

Income of students under the age of 18 years shall not be included as income.

Boards and Commissions Appointments. Consider the following Mayoral boards and commissions appointments:

Name	Board/Commission	Term Expires
Elaine Greenway	Historical Commission (filling unexpired term of K. Stadler)	12-31-2014
Donald Schneider*	Historical Commission	12-31-2015

Change Order – 2012 Street Paving Program. Authorize Change Order No. 1 to the contract with Michigan Paving & Materials Company for the 2012 Street Paving Program for additional work and materials in the amount of \$59,510.34 as follows:

RESOLUTION NO. 02-2013

AUTHORIZING A CHANGE ORDER #1-FINAL TO THE CONTRACT WITH MICHIGAN PAVING & MATERIALS COMPANY FOR THE 2012 STREET PAVING PROGRAM

WHEREAS, the city of Owosso, Shiawassee County, Michigan, approved a contract with Michigan Paving & Materials Company on August 20, 2012 for the 2012 Street Paving Program; and

WHEREAS, additional materials were required in the reconstruction of several city streets necessitating a change order.

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

- FIRST: The City of Owosso amends the contract with Michigan Paving & Materials Company to add additional work to their contract.
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in form attached as Exhibit A, Amendment to the Contract for services between the City of Owosso and Michigan Paving & Materials Company increasing the total amount by \$59,510.34.
- THIRD: The above expenses shall be paid from the proceeds of the 2010 General Obligation Unlimited Tax Bonds.

Payment Authorization – 2012 Street Paving Program. Authorize Progress Payment No. 4 to Michigan Paving & Materials Company for work completed through November 21, 2012 on the 2012 Street Paving Program in the amount of \$357,509.36 as follows:

RESOLUTION NO. 03-2013

**AUTHORIZING PAYMENT #4 TO
MICHIGAN PAVING AND MATERIALS COMPANY
FOR WORK RELATED TO
THE 2012 STREET PAVING PROGRAM**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has entered into an agreement with Michigan Paving and Materials Company for the 2012 Street Paving Program; and

WHEREAS, the contractor has completed a portion of the project and is now eligible for payment; and

WHEREAS, the city project manager recommends Pay Estimate #4 in the amount of \$357,509.36 for work completed through November 21, 2012, with said unit quantities and amounts having been agreed to by Michigan Paving and Materials Company.

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 Michigan Paving and Materials Company for work completed on the 2012 Street Paving Program.
- SECOND: The accounts payable department is authorized to submit payment to the Michigan Paving and Materials Company in the amount of \$357,509.36 as detailed on the attached Payment Estimate #4 as authorized by Council on January 7, 2013.
- THIRD: The above expenses shall be paid from the proceeds of the 2010 General Obligation Unlimited Tax Bonds.

Warrant No. 455. Authorize Warrant No. 455 as follows:

Vendor	Description	Fund	Amount
Sungard Public Sector Inc.	Software maintenance/licensing fees for Public Safety computer system Jan 1, 2013 – Dec 31, 2013	General	\$ 8,868.04
Netarx, LLC	Network Engineering Support – November 2012	General	\$ 6,664.00

Boards and Commissions Appointments. (Added to the agenda.) Consider the following Mayoral boards and commissions appointments:

Name	Board/Commission	Term Expires
Lorraine Weckwert*	Historical Commission	12-31-2015
Michael Selleck*	Board of Review	12-31-2017

Motion supported by Councilperson Eveleth.

Roll Call Vote.

AYES: Councilpersons Erfourth, Eveleth, Mayor Pro-Tem Popovitch, Councilpersons Fox, Bailey, and Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Cook.

ITEMS OF BUSINESS

EXECUTIVE SESSION

Motion by Councilperson Eveleth to authorize the holding of an executive session at the conclusion of the second session of Citizen Comments and Questions for the purpose of discussing land acquisition.

Motion supported by Councilperson Fox.

Roll Call Vote.

AYES: Councilpersons Fox, Erfourth, Bailey, Eveleth, Mayor Pro-Tem Popovitch, and Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Cook.

CONTRACT OPERATION OF UTILITIES

City Manager Crawford noted the Utilities Director had retired as had a number of other key personnel at the water and wastewater facilities and the City was finding it difficult to develop and keep staff members with the proper licensing to run the plants. He indicated one option to consider is contracting an outside company to operate and maintain the plants. He noted that approximately 3000 plants around the country are run by outside service companies and the efficiencies presented by such companies allows for a cost savings. He went on to say he felt this was a reasonable alternative for the City and it was his experience that current employees could be absorbed by other operations or hired by the contractor. He said the next step in the process would be to see if there was any interest from service companies in operating the City's facilities or to replace now vacant positions and keep operations in-house.

Mayor Pro-Tem Popovitch and Councilperson Fox expressed concern with the proposal to contract out for such services. They felt the City's utilities and the employees were one of its best assets and there was concern an outside company would have no loyalty to the City.

Councilperson Bailey inquired whether it would be possible for the City to develop its own regional group to take advantage of economies of scale rather than contracting out.

Mayor Frederick indicated he felt the City could implement a number of things to improve operations at the plants a comment which drew support from other Council members.

There was discussion regarding whether a cost savings could be found in partially closing down the water plant each day, cross training of water plant and wastewater plant employees, investing in training current employees or hiring new employees with the proper certifications, and what options would prove beneficial in the long term.

At the conclusion of the discussion Council dismissed the idea of employing an outside contractor to operate the treatment facilities and directed staff work to train internal candidates and/or recruit outside candidates to replace those lost to retirement and attrition.

COMMUNICATIONS

Downtown Development Authority/Main Street. Minutes of December 5, 2012.

Historical Commission. Minutes of December 10, 2012.

Downtown Historic District Commission. Minutes of December 19, 2012.

CITIZEN COMMENTS AND QUESTIONS

Justin Horvath, president/CEO of the SEDP, noted there were lots of employee training opportunities available through his organization should the City want to take advantage of them.

Tom Manke, business owner at 118 South Washington Street, thanked the Council for "stepping up" and turning down the idea of contracting out for operation of the utility plants. He went on to commend the City's Public Safety Department for their great response to a recent emergency.

Eddie Urban, 601 Glenwood Avenue, pointed out there were many people present at the meeting this evening and he encouraged them all to come to future meetings as well. He also suggested citizens keep hydrants and manhole covers free of snow and ice to aid City personnel in the case of an emergency.

The Council briefly recessed at 9:02 p.m. and returned at 9:13 p.m.

ADJOURNED TO EXECUTIVE SESSION AT 9:13 P.M.
RETURNED FROM EXECUTIVE SESSION AT 9:35 P.M.

APPROVAL OF THE MINUTES OF EXECUTIVE SESSION OF OCTOBER 15, 2012

Motion by Councilperson Eveleth to approve the Minutes of the Executive Session of October 15, 2012 as presented.

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

NEXT MEETING

Tuesday, January 22, 2013

BOARDS AND COMMISSIONS OPENINGS

None.

ADJOURNMENT

Motion by Councilperson Eveleth for adjournment at 9:36 p.m.

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

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk