CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
TUESDAY, FEBRUARY 16, 2016

SPECIAL MEETING TIME
6:30 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 FEBRUARY 1, 2016:

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 three (3) 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.

DISCUSSION

1. Cargill Project. Review necessary steps to accomplish the property deal with Cargill, Inc.

STUDENT REPRESENTATIVE REPORT

1. Lincoln High School. A representative from Lincoln High School will provide an update on events at the school.

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

None.

CITIZEN COMMENTS AND QUESTIONS

CITY MANAGER REPORT

1. Shiawassee Sanitary Landfill Group Update

CONSENT AGENDA

1. Special Assessment District No. 2016-01. Authorize Resolution No. 4 setting a public hearing for Monday, March 7, 2016 to receive citizen comment regarding Special Assessment District No. 2016-01 for Gould Street, from Main Street to Corunna Avenue for resurfacing.

2. Traffic Control Order No. 1345. Approve Traffic Control Order No. 1345 establishing a ñNo Parkingò zone on the west side of Ada Street between Oliver and Lee Street from 3:00pm - 4:00pm on school days.

3. Mid-Michigan Custom Car Show Permission. Consider application of Andy Genovese on behalf of the Mid-Michigan Custom Car Show for use of Washington Street from Main Street to Mason Street and Exchange Street from Water Street to Park Street from 8:00am to 6:00pm on Sunday, May 15, 2016 for the Mid-Michigan Custom Car Show and authorize Traffic Control Order No. 1346 formalizing the request.

4. Boards and Commissions Appointments. Approve the following Mayoral Boards and Commissions appointments:

Name	Board/Commission	Term Expires
Kevin Maurer	Building Board of Appeals ï Alternate	06-30-2018
Vince Gonyou*	Downtown Historic District Commission	06-30-2019
Lance Omer*	Downtown Historic District Commission	06-30-2019
Tracey Peltier*	Historical Commission	12-31-2018
John Horvath*	LDFA/Brownfield Redevelopment Authority	06-30-2016
Richard Williams*	LDFA/Brownfield Redevelopment Authority	06-30-2020
Michael Espich*	Parks & Recreation Commission	06-30-2018
Shane Nelson*	Parks & Recreation Commission	06-30-2018
Rosemary Schultz*	Shiawassee District Library Board	06-30-2020
John Horvath*	Zoning Board of Appeals ï Alternate	06-30-2019

5. Flexible Spending Account Terms Adoption. Authorize acceptance of the terms governing the Flexible Spending Accounts available to City employees, with a retroactive effective date of January 1, 2016.

6. Periodic Restatement of Defined Contribution Retirement Plan. Consider resolution authorizing restatement of the defined contribution retirement plan for City employees with ICMA Retirement Corporation and further authorizing the City Manager to execute appropriate documents as outlined by ICMA.

7. Warrant No. 518. Authorize Warrant No. 518 as follows:

Vendor	Description	Fund	Amount
William C. Brown, P.C.	Professional Services- January 12, 2016-February, 8, 2016	General	$ 8,947.72
Logicalis, Inc.	Networking engineering- January 2016	General	$ 5,488.00

8. Check Register ï January 2016. Affirm check disbursements totaling $1,887,904.74 for the month of January 2016.

ITEMS OF BUSINESS

1. I-69 International Trade Corridor Board Appointments. Consider reappointing City Manager Donald D. Crawford as the Cityôs representative to the I-69 Corridor Board and granting the City Manager authority to appoint alternate board member(s).

2. OHM Professional Engineering Services Contract Addendum No. 2. Consider authorizing execution of Addendum No. 2 to the contract with Orchard, Hiltz & McCliment d/b/a OHM Advisors for Professional Engineering Services adding the development of a Water Reliability Study and General Plan Support Services in an amount not to exceed $50,000.00, and further authorize payment up to the Addendum amount upon satisfactory receipt of deliverables.

COMMUNICATIONS

1. Building Official. January 2016 Building Department Report.
2. Building Official. January 2016 Code Enforcement Report.
3. Public Safety Director. January 2016 Police Report.
4. Public Safety Director. January 2016 Fire & Ambulance Report.
5. Historical Commission. Minutes of January 11, 2016.
6. Parks & Recreation Commission. Minutes of January 11, 2016.
7. Parks & Recreation Commission. Minutes of January 25, 2016.
8. DDA/Main Street Board. Minutes of February 3, 2016.
9. Larry Cook, City Assessor. March Board of Review - Assessment Changes

CITIZEN COMMENTS AND QUESTIONS

NEXT MEETING

Special Meeting: Saturday, February 20, 2016 at 9:00 a.m.
Regular Meeting: Monday, March 07, 2016 at 7:30 p.m.

BOARDS AND COMMISSIONS OPENINGS

Board of Review ï term expires December 31, 2020
Building Board of Appeals ï Alternate - term expires June 30, 2018
Downtown Historic District Commission ï term expires June 30, 2016
Historical Commission ï term expires December 31, 2016

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, calling, or emailing the following: Owosso City Clerkôs Office, 301 West Main Street, Owosso, MI 48867; Phone: (989) 725-0500; Email: city.clerk@ci.owosso.mi.us. The City of Owosso Website address is www.ci.owosso.mi.us.

CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF FEBRUARY 1, 2016
7:30 P.M.

PRESIDING OFFICER:	MAYOR BENJAMIN R. FREDERICK
OPENING PRAYER:	PASTOR MARLENE WEBSTER CITY CHURCH
PLEDGE OF ALLEGIANCE:	LT. PAMELA BATTINKOFF SHIAWASSEE CENTRAL DISPATCH 911 DIRECTOR
PRESENT:	Mayor Benjamin R. Frederick, Mayor Pro-Tem Christopher T. Eveleth, Councilpersons Loreen F. Bailey, Burton D. Fox, Elaine M. Greenway, Michael J. O'Leary, and Robert J. Teich, Jr.
ABSENT:	None.

APPROVE AGENDA

Motion by Councilperson Fox to approve the agenda with the addition of the following Item of Business:

5. Disc Golf Course Update.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF JANUARY 19, 2016

Motion by Councilperson Fox to approve the Minutes of the Regular Meeting of January 19, 2016 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

None.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, Owosso Township resident, said he had read that Owosso was in the top 16 cities in Michigan with lead contamination in the water. He said he wanted all the sampling data posted and would like to know what the City is going to do to fix the problem.

Mike Espich, 1124 Ada Street, said he sees the water issue a little differently, while he trusts the City he said it is still important for people to have the water in their homes tested. He plans on doing so and will report back on results.

For record purposes only
This page not distributed to Council

The Argus-Press Company

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Owosso, Michigan 48867
Phone (989) 725-5136 • Fax (989) 725-6376

Richard E. Campbell, Chairman
Thomas E. Campbell, President & Publisher

AFFIDAVIT OF PUBLICATION

In the matter of **Official Notice of Meeting Change - City of Owosso**

OWOSSO CITY COUNCIL
OFFICIAL NOTICE OF
MEETING CHANGE

The start time for the Owosso City Council Meeting scheduled for Tuesday, February 16, 2016 starting at 7:30 p.m. has been moved to 6:30 p.m.

Amy K. Kirkland, CMC
Owosso City Clerk

The City of Owosso will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audiotapes 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, Michigan 48867, (989) 725-0500. The City of Owosso website address is www.ci.owosso.mi.us.

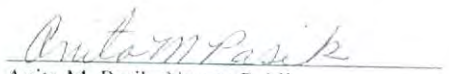
Publish: February 5, 2016

STATE OF MICHIGAN)
) ss **Thomas E. Campbell**
County of Shiawassee)

Being first duly sworn, says that he is the Publisher of **THE ARGUS-PRESS**, a newspaper published in the English language for the dissemination of local or transmitted news and intelligence of a general character and legal news, which is a duly qualified newspaper and that annexed hereto is a copy of a certain order taken from said newspaper, in which the order was published on the 5th day of February, A.D., 2016.

SIGNED:

Subscribed and sworn to before me
this 5th day of February, A.D., 2016



Anita M. Pasik, Notary Public
Shiawassee County, Michigan
My commission expires: December 1, 2018

Lt. Pamela Battinkoff, Central Dispatch 911 Director, detailed the 911 sur charge request on the March 8th ballot. She noted the decline in revenues, equipment upgrades required by the State, and the fact that this sur charge is the only source of funding for 911 operations as reasons to approve the measure.

Utilities Director Glenn M. Chinavare addressed Mr. Mankeôs concerns, saying the reason for testing was to locate high lead levels to prevent harm to those residents using water at that location. He said that any reports showing high lead levels are followed up with residents, efforts are made to educate them and determine the best course of action. He went on to say that plumbing fixtures and lead service lines are the major sources of lead contamination in tap water. The City is required to replace any lead lines it finds in the City portion of the system, and he also encourages residents to replace lead service lines on private property when a street is reconstructed by offering to let residents piggy-back on the City contract for the work. In further testament to the water quality he said he contacted the Shiawassee County Health Department and Memorial Hospital to inquire whether they had reports of high lead levels and they did not. He also had not received any reports from any industrial customers regarding the state of the water.

Two Council members then spoke about their personal experiences with lead exposure (via tap water and paint), how the situations were resolved, tips for reducing exposure, local resources for help with lead in homes, and the need for an educational effort. Mr. Chinavare indicated that public education and media outreach are very important and are things he intends to implement in the future.

There were further questions for Mr. Chinavare regarding a spike in lead levels at the same sampling location and the protocol when high lead levels are found. Director Chinavare indicated that the sample showing the spike in lead levels was due to the fact that the resident of the home was out of town immediately prior to the test and water sat in the pipes for several days before being tested. He also indicated that every test site is issued a report and based on the findings of that report a follow-up appointment may be required to educate the resident on the risks at hand and discuss potential solutions and/or mitigation, but many times control of the situation is up to the resident.

Mayor Frederick asked Director Chinavare what he felt the main factors were leading to Flintôs water problem. Mr. Chinavare noted two things he felt had a major impact on the situation: the switch in water sources and regulatory issues that allowed processes to get in the way of good judgement. Lastly he noted that he is happy to talk with residents that have concerns about their water and that water testing is free to residents.

CITY MANAGER REPORT

City Manager Donald D. Crawford detailed the latest Project Status Report.

CONSENT AGENDA

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

Amend Traffic Control Order Nos. 903 & 904. Approve amendment to Traffic Control Order Nos. 903 & 904 moving the dedicated handicap parking spots east to either side of the walkway to the entrance of Bryant School.

Warrant No. 517. Authorize Warrant No. 517 as follows:

Vendor	Description	Fund	Amount
Huron & Eastern Railway Company Inc	Annual maintenance of active traffic control devises	Major Streets	$ 8,254.00
Michigan Municipal League WorkersôCompensation Fund	Workersôcompensation insurance	Various	$19,821.00

Motion supported by Councilperson Teich.

Roll Call Vote.

AYES: Councilperson Teich, Mayor Pro-Tem Eveleth, cpts O'Leary, Greenway, Fox, Bailey, and Mayor Frederick.

NAYS: None.

ITEMS OF BUSINESS

Lot Split Authorization – VL South Gould Street

Motion by Mayor Pro-Tem Eveleth to authorize the division of City lots under the Michigan Subdivision Control Act for platted lot currently known as 600 Wright Avenue as follows:

LAND DIVISION OF PLATTED LOTS

Current Description Entire Parcel

Address	**Status**	**Parcel #**
600 Wright Avenue	To be split	050-010-034-026-00
Description		
LOTS 22 THRU 41 BLK 34 GEORGE T ABREY'S WOODLAWN PARK ADDN ALSO BEG 3.19 FT S OF NW COR LOT 31 OF SD BLK - N88*55' W 157.52 FT PLL W/S LN ALLENDALE AVE - S01*05' W 93.52 FT - N79*25' E 160.884 FT TO W LN OF LOT 30 - N01*05' E 64.8 FT ON W LN LOTS 30 & 31 TO POB, ALSO THAT PRT OF VAC STANLEY AVE N OF S LN LOT 41, ALSO ADJ VAC N/S ALLEY, EXC THE N 3.19 FT OF LOT 31 OF SD BLK, ALSO EXC GOULD ST ROW		

New Description After Split

Address	**Status**	**Parcel #**
600 Wright Avenue	Original parcel	050-010-034-026-00
Description		
LOTS 25 THRU 36 & N İ LOT 24, BLK 34 GEORGE T ABREY'S WOODLAWN PARK ADDN ALSO BEG 3.19 FT S OF NW COR LOT 31 OF SD BLK - N88*55' W 157.52 FT PLL W/S LN ALLENDALE AVE - S01*05' W 93.52 FT - N79*25' E 160.884 FT TO W LN OF LOT 30 - N01*05' E 64.8 FT ON W LN LOTS 30 & 31 TO POB, ALSO THAT PRT OF VAC STANLEY AVE N OF S LN LOT 36, ALSO ADJ VAC N/S ALLEY, EXC THE N 3.19 FT OF LOT 31 OF SD BLK, ALSO EXC GOULD ST ROW		

New Description After Split

Address	**Status**	**Parcel #**
VL between Gould & Wright	New parcel	050-010-034-027-00
Description		
LOTS 22 & 23 & SOUTH İ LOT 24 INCLUDING EAST İ OF ADJACENT CLOSED ALLEY. ALSO, LOTS 37 - 41, BLOCK 34, INCLUDING WEST İ OF ADJACENT CLOSED ALLEY. ALSO LAND LYING BETWEEN WEST LINE OF LOTS 37-41 AND EAST LINE OF GOULD STREET, FORMERLY VACATED STANLEY AVENUE.		

Motion supported by Councilperson Teich.

Roll Call Vote.

AYES: Mayor Pro-Tem Eveleth, Councilpersons Teich, O'Leary, Greenway, Bailey, Fox, and Mayor Frederick.

NAYS: None.

Special Meeting Date Determination

Motion by Councilperson Fox to set the date and time of a work session to discuss the process for the sale of City-owned land and the administration of a potential land auction to be held in June as Saturday February 20, 2016 at 9:00 a.m.

Motion supported by Councilperson O'Leary.

Roll Call Vote.

AYES: Councilperson Bailey, Mayor Pro-Tem Eveleth, Councilpersons Greenway, Teich, O'Leary, Fox, and Mayor Frederick.

NAYS: None.

Council requested that local auctioneer Troy Crowe be invited to the meeting February 20th.

Property Sale Policy Discussion

This discussion was postponed until the February 20th special meeting.

Cargill Update/Discussion

City Manager Crawford provided an update on the status of the Cargill development indicating there are several things the Council will need to agree to in the coming months if the project is to move forward.

Motion by Mayor Pro-Tem Eveleth setting an early start time of 6:30 p.m. for the February 16th meeting in order to start exploring the details of the proposed project.

Motion supported by Councilperson Fox.

Roll Call Vote.

AYES: Councilperson O'Leary, Mayor Pro-Tem Eveleth, Councilpersons Bailey, Fox, Teich, Greenway, and Mayor Frederick.

NAYS: None.

Mayor Frederick indicated he would like to hear any insights SEDP CEO Justin Horvath has on the Cargill project.

Disc Golf Course Update (This item was added to the agenda.)

Parks & Recreation Commission Chairman Mike Espich was on hand to inform Council about the controversy over the proposal to install a disc golf course in Collamer Park. He detailed the Commission's previous efforts to place the course in Rosevear Park and how those efforts were thwarted

leading to the current proposal to place it in Collamer Park. He noted that current users of the park (bikers, hikers, bird watchers, etc.) had concerns about incorporating the golf course into the park for numerous reasons. He went on to say that the Commission is currently waiting for a revised layout that will then be staked and vetted by users, with final recommendation to be determined by the Commission and referred to Council and that no one had been given permission to start constructing the course at this point.

COMMUNICATIONS

Downtown Development Authority/Main Street. Minutes of January 6, 2016.
Zoning Board of Appeals. Minutes of January 19, 2016.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, Owosso Township resident, thanked Council for the water discussion, but asked again for the sample data. He also suggested the new police cars not be labeled as õpublic safetyö vehicles.

Mayor Frederick noted the water quality report is posted on the City website for anyone that would like to view it.

Eddie Urban, 601 Glenwood Avenue, questioned whether Flint residents really didnôt know they should get their water tested.

Mike Espich, 1124 Ada Street, thanked the Utilities Director for his comments and the opportunity for a free water test.

Mayor Frederick clarified the statistics regarding the Cityôs lead levels saying the DEQ report indicates the reported amount was 11ppb, not the 13ppb noted by the Argus Press.

NEXT MEETING

Tuesday, February 16, 2016

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals ï Alternate (2), both terms expire June 30, 2018
Board of Review ï term expires December 31, 2020

ADJOURNMENT

Motion by Mayor Pro-Tem Eveleth for adjournment at 9:23 p.m.

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

_____
Benjamin R. Frederick, Mayor

_____
Amy K. Kirkland, City Clerk

MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: February 11, 2016

TO: City Council

FROM: City Manager

SUBJECT: Proposed Cargill project

The city council has agreed to sell a piece of city-owned property to Cargill Incorporated. Cargill has shown its intent to construct a facility on the property if a number of things occur first. Many of these things will require action by the city, its various boards and commissions and the city council.

I want to give an overview of the envisioned plan, noting some decisions that must be made. Should the city council not be willing to continue in this direction, I need to know now so that the modifications can be made or the project called off before more time and costs are incurred.

In 2002 the city established a brownfield tax increment financing district, including this property and several adjacent properties, to remove the contamination and to provide improvements to make things work for existing and new development. The contamination has been removed, and the property has remained vacant with no sufficient increment to provide improvements. The initial plan proposed as improvements a roadway and watermain extensions.

These improvements now become necessary, requiring the following actions:

1. Acquiring property and easements from SONOCO for construction of the roadway and installation of the watermains.
2. Borrowing the necessary money to pay for the property and construction.
3. Paying back the borrowed money.

To make all this happen, the following steps are being taken or proposed:

1. Cargill is working to obtain the necessary approvals, including a height variance from the zoning board of appeals (completed) and approval of a site plan (completed). A set of the plans will be available for review.

2. The city has prepared preliminary layouts for the roadway and watermains which encompas the Cargill site and the adjacent SONOCO property.

3. The city is working to obtain property and easements from SONOCO (proceeding and will require city council approval). A draft agreement has been prepared, along with schematics showing possible roadway alignment. Documents are being reviewed by SONOCO.

4. The city must obtain MEDC approval for school capture with the state making the school district whole. MEDC staff has reviewed and will submit to board at the proper time (preliminaries complete and will require various approvals). Cost estimates have been prepared along with amortization schedules.

5. The city must amend the brownfield plan to extend the tax capture period (will require the Owosso Brownfield Authority approval). This procedure will begin at the proper time.

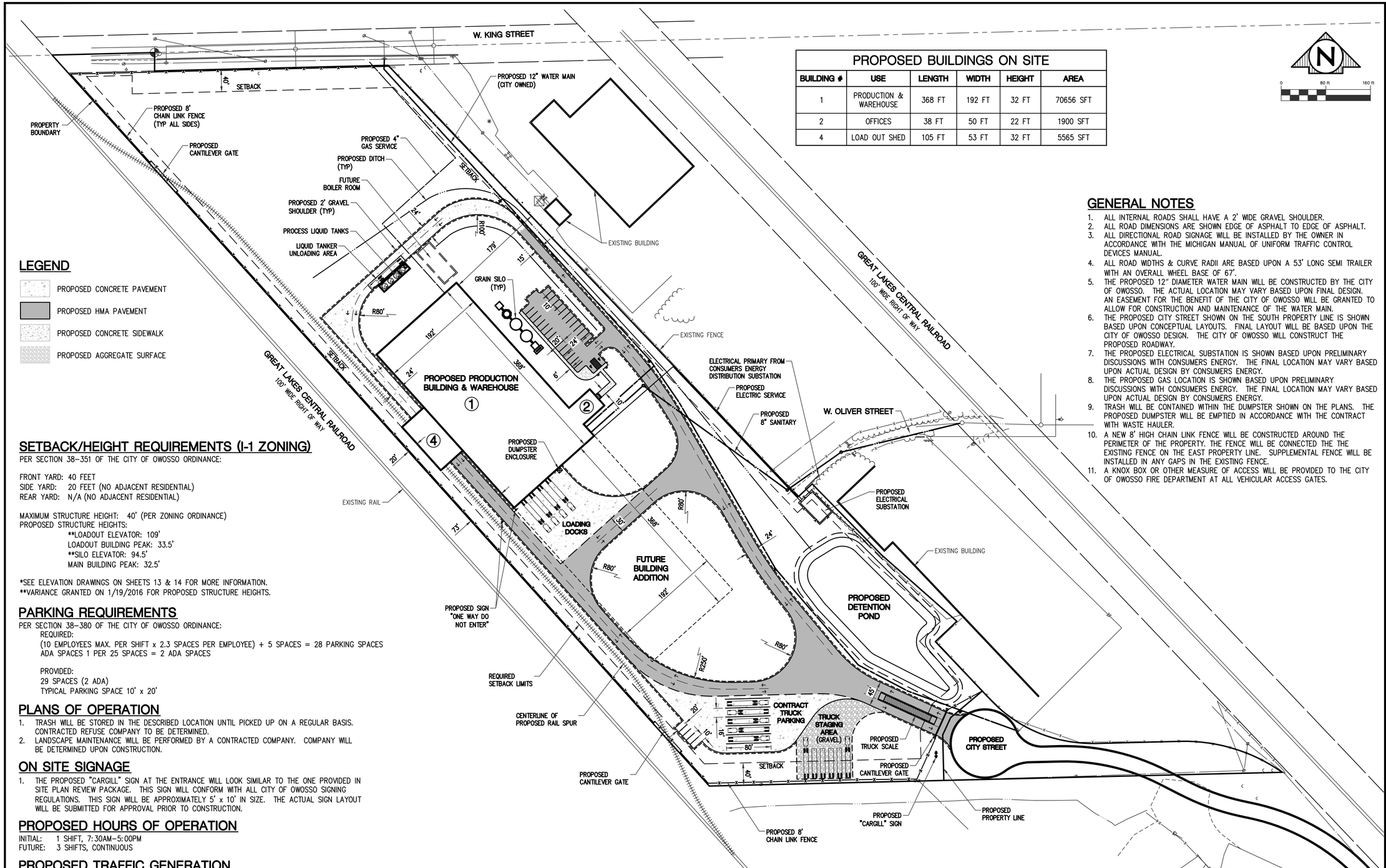
6. The city must issue a $999,000 tax-free bond to be paid back from the tax capture (will require city council approval). By keeping it under $1,000,000, costly approvals can be avoided.

7. The city must loan water fund money to be paid back from tax capture (will require city council approval). Payback can run concurrently with bond payments.

8. The city must prepare plans for the roadway and watermain construction and bidding out the project (will require city council approval). Engineering will start at appropriate time.

9. The city must award contracts for construction (will require city council approval).

10. The roadway and watermain construction will take place. The current goal is to construct during the August-October 2016 time frame.



LEGEND

- PROPOSED CONCRETE PAVEMENT
- PROPOSED HMA PAVEMENT
- PROPOSED CONCRETE SIDEWALK
- PROPOSED AGGREGATE SURFACE

PROPOSED BUILDINGS ON SITE

BUILDING #	USE	LENGTH	WIDTH	HEIGHT	AREA
1	PRODUCTION & WAREHOUSE	368 FT	192 FT	32 FT	70656 SFT
2	OFFICES	38 FT	50 FT	22 FT	1900 SFT
4	LOAD OUT SHED	105 FT	53 FT	32 FT	5565 SFT

GENERAL NOTES

1. ALL INTERNAL ROADS SHALL HAVE A 2' WIDE GRAVEL SHOULDER.
2. ALL ROAD DIMENSIONS ARE SHOWN EDGE OF ASPHALT TO EDGE OF ASPHALT.
3. ALL DIRECTIONAL ROAD SIGNAGE WILL BE INSTALLED BY THE OWNER IN ACCORDANCE WITH THE MICHIGAN MANUAL OF UNIFORM TRAFFIC CONTROL DEVICES MANUAL.
4. ALL ROAD WIDTHS & CURVE RADII ARE BASED UPON A 53' LONG SEMI TRAILER WITH AN OVERALL WHEEL BASE OF 67'.
5. THE PROPOSED 12" DIAMETER WATER MAIN WILL BE CONSTRUCTED BY THE CITY OF OWOSSO. THE ACTUAL LOCATION MAY VARY BASED UPON FINAL DESIGN. AN EASEMENT FOR THE BENEFIT OF THE CITY OF OWOSSO WILL BE GRANTED TO ALLOW FOR CONSTRUCTION AND MAINTENANCE OF THE WATER MAIN.
6. THE PROPOSED CITY STREET SHOWN ON THE SOUTH PROPERTY LINE IS SHOWN BASED UPON CONCEPTUAL LAYOUTS. FINAL LAYOUT WILL BE BASED UPON THE CITY OF OWOSSO DESIGN. THE CITY OF OWOSSO WILL CONSTRUCT THE PROPOSED ROADWAY.
7. THE PROPOSED ELECTRICAL SUBSTATION IS SHOWN BASED UPON PRELIMINARY DISCUSSIONS WITH CONSUMERS ENERGY. THE FINAL LOCATION MAY VARY BASED UPON ACTUAL DESIGN BY CONSUMERS ENERGY.
8. THE PROPOSED GAS LOCATION IS SHOWN BASED UPON PRELIMINARY DISCUSSIONS WITH CONSUMERS ENERGY. THE FINAL LOCATION MAY VARY BASED UPON ACTUAL DESIGN BY CONSUMERS ENERGY.
9. TRASH WILL BE CONTAINED WITHIN THE DUMPSTER SHOWN ON THE PLANS. THE PROPOSED DUMPSTER WILL BE EMPTIED IN ACCORDANCE WITH THE CONTRACT WITH WASTE HAULER.
10. A NEW 8' HIGH CHAIN LINK FENCE WILL BE CONSTRUCTED AROUND THE PERIMETER OF THE PROPERTY. THE FENCE WILL BE CONNECTED THE THE EXISTING FENCE ON THE EAST PROPERTY LINE. SUPPLEMENTAL FENCE WILL BE INSTALLED IN ANY GAPS IN THE EXISTING FENCE.
11. A KNOX BOX OR OTHER MEASURE OF ACCESS WILL BE PROVIDED TO THE CITY OF OWOSSO FIRE DEPARTMENT AT ALL VEHICULAR ACCESS GATES.

SETBACK/HEIGHT REQUIREMENTS (I-1 ZONING)

PER SECTION 38-351 OF THE CITY OF OWOSSO ORDINANCE:

FRONT YARD: 40 FEET
SIDE YARD: 20 FEET (NO ADJACENT RESIDENTIAL)
REAR YARD: N/A (NO ADJACENT RESIDENTIAL)

MAXIMUM STRUCTURE HEIGHT: 40' (PER ZONING ORDINANCE)
PROPOSED STRUCTURE HEIGHTS:
**LOADOUT ELEVATOR: 109'
LOADOUT BUILDING PEAK: 33.5'
**SILO ELEVATOR: 94.5'
MAIN BUILDING PEAK: 32.5'

*SEE ELEVATION DRAWINGS ON SHEETS 13 & 14 FOR MORE INFORMATION.
**VARIANCE GRANTED ON 1/19/2016 FOR PROPOSED STRUCTURE HEIGHTS.

PARKING REQUIREMENTS

PER SECTION 38-380 OF THE CITY OF OWOSSO ORDINANCE:
REQUIRED:
(10 EMPLOYEES MAX. PER SHIFT x 2.3 SPACES PER EMPLOYEE) + 5 SPACES = 28 PARKING SPACES
ADA SPACES 1 PER 25 SPACES = 2 ADA SPACES

PROVIDED:
29 SPACES (2 ADA)
TYPICAL PARKING SPACE 10' x 20'

PLANS OF OPERATION

1. TRASH WILL BE STORED IN THE DESCRIBED LOCATION UNTIL PICKED UP ON A REGULAR BASIS. CONTRACTED REFUSE COMPANY TO BE DETERMINED.
2. LANDSCAPE MAINTENANCE WILL BE PERFORMED BY A CONTRACTED COMPANY. COMPANY WILL BE DETERMINED UPON CONSTRUCTION.

ON SITE SIGNAGE

1. THE PROPOSED "CARGILL" SIGN AT THE ENTRANCE WILL LOOK SIMILAR TO THE ONE PROVIDED IN SITE PLAN REVIEW PACKAGE. THIS SIGN WILL CONFORM WITH ALL CITY OF OWOSSO SIGNING REGULATIONS. THIS SIGN WILL BE APPROXIMATELY 5' x 10' IN SIZE. THE ACTUAL SIGN LAYOUT WILL BE SUBMITTED FOR APPROVAL PRIOR TO CONSTRUCTION.

PROPOSED HOURS OF OPERATION

INITIAL: 1 SHIFT, 7:30AM-5:00PM
FUTURE: 3 SHIFTS, CONTINUOUS

PROPOSED TRAFFIC GENERATION

TRUCKS
INITIAL: 18 TRUCKS/DAY
FUTURE: 45 TRUCKS/DAY

Know what's **below.** **Call** before you dig.

REVISIONS			
NO.	DATE	DESCRIPTION	BY
–	–	–	–

PLAN DATE: JANUARY 2016
PROJECT MGR: DAS
REVIEWER: JBM
SCALE: 1" = 80'

ROWE PROFESSIONAL SERVICES COMPANY
The ROWE Building
540 S. Saginaw St., Ste. 200
Flint, MI 48502
O: (810) 341-7500
F: (810) 341-7573
www.rowepsc.com

PREPARED FOR
CARGILL ANIMAL NUTRITION
PROJECT SPARTAN
SITE PLAN
PROPOSED PLAN

REV: C8
SHT# 8 OF 16
JOB No: 15C0179

R:\Projects\15C0179\dwg\Site Plan Drawings\XX-15C0179-SITE PLAN-OVERALL LAYOUT.dwg
PLOTTED: 1/21/2016 12:24 PM

CARGILL SITE

EXISTING ACCESS EASEMENT

EXISTING WATERMAIN

R60'

16+25 16+00 15+00 14+00 13+00 12+00 11+00 10+00 9+00 8+00 7+00 6+00 5+00 4+00 3+00 2+00 1+00 0+00

EXISTING PROPERTY LINE

PROPOSED STREET CENTER LINE

CONSUMERS UTILITY POLE AND GUY WIRES

GREAT LAKES CENTRAL RR

CHIPMAN ST.

SONOCO

N

0 50 ft 100 ft

PLAN DATE: JANUARY 2016
PROJECT MGR: DAS
REVIEWER: JBM
SCALE: 1" = 50'

ROWE PROFESSIONAL SERVICES COMPANY
The ROWE Building
540 S. Saginaw St., Ste. 200
Flint, MI 48502
O: (810) 341-7500
F: (810) 341-7573
www.rowepsc.com

PREPARED FOR
CITY OF OWOSSO
CARGILL ACCESS ROAD
FEASIBILITY STUDY
EXHIBIT A

REV:

SHT# 1 OF 5

JOB No: 15C0197

R:\Projects\15C0197\dwg\Construction Drawings\Exhibit A.dwg
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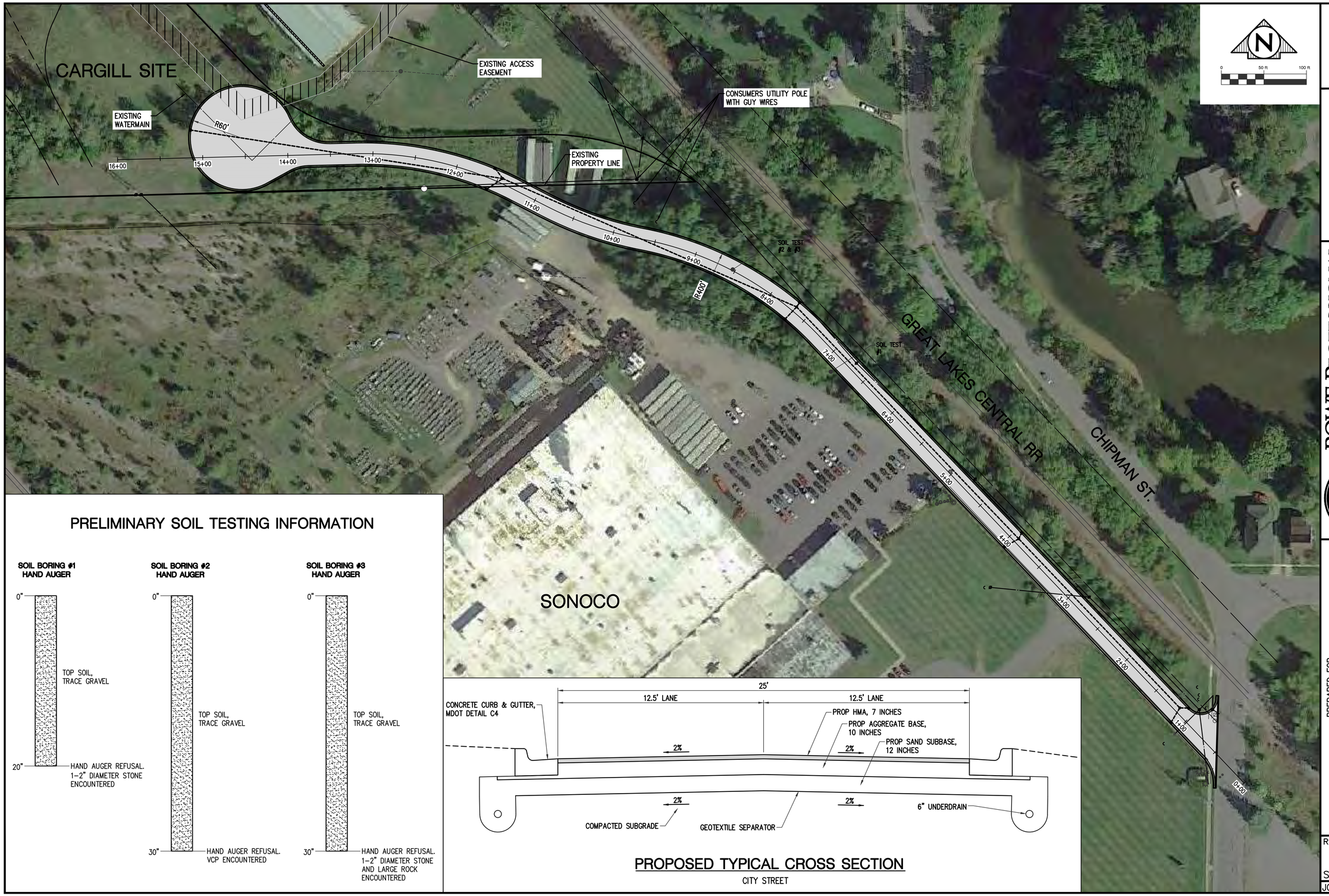

PRELIMINARY SOIL TESTING INFORMATION

SOIL BORING #1
HAND AUGER

0" — TOP SOIL, TRACE GRAVEL

20" — HAND AUGER REFUSAL. 1–2" DIAMETER STONE ENCOUNTERED

SOIL BORING #2
HAND AUGER

0" — TOP SOIL, TRACE GRAVEL

30" — HAND AUGER REFUSAL. VCP ENCOUNTERED

SOIL BORING #3
HAND AUGER

0" — TOP SOIL, TRACE GRAVEL

30" — HAND AUGER REFUSAL. 1–2" DIAMETER STONE AND LARGE ROCK ENCOUNTERED

PROPOSED TYPICAL CROSS SECTION

CITY STREET

PLAN DATE: JANUARY 2016
PROJECT MGR: DAS
REVIEWER: JBM
SCALE: 1" = 50'

ROWE PROFESSIONAL SERVICES COMPANY
The ROWE Building
540 S. Saginaw St., Ste. 200
Flint, MI 48502
O: (810) 341-7500
F: (810) 341-7573
www.rowepsc.com

PREPARED FOR
CITY OF OWOSSO
CARGILL ACCESS ROAD
FEASIBILITY STUDY
EXHIBIT B

REV:

SHT# 2 OF 5

JOB No: 15C0197

PLOTTED: 1/5/2016 4:21 PM R:\Projects\15C0197\dwg\Construction Drawings\Exhibit B.dwg

CARGILL SITE

EXISTING PROPERTY LINE

CONSUMERS UTILITY POLE WITH GUY WIRES

GREAT LAKES CENTRAL RR

SONOCO

11+00

10+00

9+00

8+00

7+00

6+00

R50'

R75'

N

0 50 ft 100 ft

PLAN DATE: JANUARY 2016

PROJECT MGR: DAS

REVIEWER: JBM

SCALE: 1" = 50'

ROWE PROFESSIONAL SERVICES COMPANY

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PREPARED FOR

CITY OF OWOSSO
CARGILL ACCESS ROAD

FEASIBILITY STUDY

EXHIBIT C

REV:

SHT# 3 OF 5

JOB No: 15C0197

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PLOTTED: 1/6/2016 8:21 AM

Financing for Cargill/Sonoco Project

Preliminary 02/16/2016

Land purchase for roadway from Sonoco	
Front parking lot	$63,950
Drive between lots	4,140
Gravel material storage area	29,620
Subtotal	$97,710
Roadway construction	
General	$56,000
Earthwork	72,945
Roadway	283,850
Stormsewer	81,000
Cul-de-sac	100,000
Engineering	30,195
Subtotal	$623,990
Watermain	
Cargill (north/south line)	$344,000
Sonoco (east/west line)	280,000
Railroad permits	20,000
	$644,000
	0
TOTAL	$1,365,700
Other	
Bond issue expense	30,000
Interest	

#112,258

Years	Interest	Principal	Balance
1	54,600.00	57,600.98	1,307,399.02
2	52,295.96	59,905.02	1,247,494.00
3	49,899.76	62,301.22	1,185,192.78
4	47,407.71	64,793.27	1,120,399.51
5	44,815.98	67,385.00	1,053,014.51
6	42,120.58	70,080.40	982,934.11
7	39,317.36	72,883.62	910,050.50
8	36,402.02	75,798.96	834,251.54
9	33,370.06	78,830.92	755,420.62
10	30,216.82	81,984.16	673,436.46
11	26,937.46	85,263.52	588,172.94
12	23,526.92	88,674.06	499,498.88
13	19,979.96	92,221.02	407,277.86
14	16,291.11	95,909.87	311,367.99
15	12,454.72	99,746.26	211,621.73
16	8,464.87	103,736.11	107,885.62
17	4,315.42	107,885.56	0.06
	542,416.71	1,364,999.95	

MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: February 16, 2016

TO: Owosso City Council

FROM: Mark Sedlak, Director of Public Services

SUBJECT: Setting Public Hearing for Special Assessment Roll for Gould Street Resurfacing

RECOMMENDATION: City staff recommends acceptance of Resolution No. 4 which sets the second public hearing for the Gould Street Resurfacing Project.

BACKGROUND: This public hearing is intended to provide affected residents with the opportunity to comment regarding their individual assessments.

As you will recall, Step Four/Resolution No. 4 takes place after the bids are received. Estimated assessment amounts are adjusted if necessary to reflect the actual cost as dictated by the bids received. A second public hearing is set to allow property owners to comment on their particular assessment. Each property owner is sent a second notice containing the date and time of the public hearing and the amount of the proposed assessment for their property. In this case bids came in approximately 5% higher than originally estimated and the proposed assessment amounts listed in the notices will be adjusted to reflect this.

Step Five/Resolution No. 5 documents the second public hearing finalizes the special assessment roll and sets the terms of payment. This public hearing is designed to allow affected citizens the opportunity to argue whether or not the amount of their assessment is fair and equitable in relation to the benefit they receive from the project. If, after hearing citizen comment, the council decides adjustments need to be made to the assessment roll they may do so. Alternately, if it is felt all the assessments are fair and equitable the resolution may be passed as written. Resolution No. 5 will be presented at the time of the second public hearing.

Tonight the council will be considering Resolution No. 4 for the proposed district as a part of the Consent Agenda. Staff recommends authorization of Resolution No. 4 for the following public improvement:

Gould Street resurfacing, from Corunna Avenue to Main Street

RESOLUTION NO. ___

**SETTING A PUBLIC HEARING
TO HEAR COMMENT REGARDING
SPECIAL ASSESSMENT DISTRICT NO. 2016-01
GOULD STREET, PUBLIC STREET, FROM CORUNNA AVENUE TO MAIN STREET**

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

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.

2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on Monday, _____for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.

3. The City Clerk is directed to publish the notice of said hearings once in the *Argus Press,* the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.

4. The notice of said hearing to be published and mailed shall be in substantially the following form:

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

TO THE OWNERS OF THE FOLLOWING DESCRIBED PROPERTY:

Gould Street, Public Street, from Corunna Avenue to Main Street

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

Street Resurfacing

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

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

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

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

MEMORANDUM

DATE: January 28, 2016

TO: City Council

FROM: Kevin Lenkart
Director of Public Safety

RE: Traffic Control Order # 1345

Owosso Public Schools (Central Elementary) has requested to have Ada Street, between Oliver Street and Lee Street to have no parking on the west side of the street between 3:00 pm and 4:00 pm on school days. This traffic control order will ensure the safe departure for students by reducing the congestion of vehicles in the area.

The Public Safety Department has issued Traffic Control Order No. 1345 fulfilling this request. Staff recommends approval of the traffic control order as proposed.

CITY OF OWOSSO

TRAFFIC CONTROL ORDER

(SECTION 2.53 UNIFORM TRAFFIC CODE)

ORDER NO.	DATE	TIME
1345	1/28/16	2:00 pm

REQUESTED BY

Kevin Lenkart – Director of Public Safety

TYPE OF CONTROL

No Parking

LOCATION OF CONTROL

Owosso Public Schools – Central Elementary
West side of Ada Street between Oliver Street and Lee Street

APPROVED BY COUNCIL

_____, 20 _____

REMARKS

Ada Street between Oliver Street and Lee Street:

No parking on the west side of the street between 3:00 pm and 4:00 pm on school days.

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

MEMORANDUM

DATE: February 9, 2016

TO: City Council

FROM: Kevin Lenkart
Director of Public Safety

RE: Traffic Control Order # 1346

Andy Genovese has requested the closure of Exchange Street, from Water Street to Park Street, and Washington Street, from M-21 to Mason Street, for the Mid-Michigan Custom Car Show.

DATE: May 15, 2016
TIME: 8 am – 6 pm

The Public Safety Department has issued Traffic Control Order No. 1346 in accordance with the Rules for the Issuance of Certain Traffic Control Orders. Staff recommends approval and further authorization of a traffic control order formalizing the action.

CITY OF OWOSSO

TRAFFIC CONTROL ORDER

(SECTION 2.53 UNIFORM TRAFFIC CODE)

ORDER NO.	DATE	TIME
1346	02/09/16	11:00 AM

REQUESTED BY

Kevin Lenkart – Director of Public Safety

TYPE OF CONTROL

Street Closure

LOCATION OF CONTROL

Exchange Street (Water to Park)
Washington Street (Main to Mason)

Date: May 15, 2016
Time: 8:00 am – 6:00 pm

EVENT

Mid-Michigan Custom Car Show

APPROVED BY COUNCIL

_____, 20 _____

REMARKS

APPLICATION FOR USE OF PARKING LOTS, PARADES, OR SIMILAR EVENTS

301 W. MAIN OWOSSO, MICHIGAN 48867-2958 · (989) 725-0550 · FAX 725-0526

The request for use of the parking lots, parade, or similar event shall be submitted to the Director of Public Safety not less than 14 days or more than 120 days before the date for which the use is requested.

The submission of a request by an individual or organization for a traffic control order pursuant to these rules and regulations shall constitute an agreement to indemnify and hold the City and its officers and employees harmless from any and all liability arising from the event or activities for which the request is made.

Name of individual or group: Mid Michigan Custom Car Show Date: ~~May 15, 2016~~ Sunday, May 15, 2016 8-2-16

Primary Contact Person

Name: Andy Genovese

Title: Organizer

Address: 1370 W. North St

Owosso, MI 48867

Phone: 989-720-3107.

Requested Date(s): May 15, 2016 Requested Hours: 8AM-4PM

Area Requested (Parking Lot - Parade Route): Exchange St (Water & Park)

Washington St (M-21 & Main)

Detailed description of the use for which the request is made: Car Show

☐ Attach copies of any rules or policies applicable to persons participating in the event.

☑ Evidence to the City of insurance coverage applicable to the event or activity naming the City as an additional insured in an amount of not less than $500,000 combined single limit.

Or

☐ The City Council may waive such insurance requirement if it determines that insurance coverage is unavailable or cannot be obtained at a reasonable cost and the event or activity is in the public interest or fulfills a legitimate and recognized public purpose.

Do Not Write Below This Line - For Officials Use Only

Approved ☐ Not Approved ☐ Date: _____ Traffic Control Order Number _____

Cc: DDA - Director
WCIA - Chairperson

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 05/16/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	AL SHATTUCK 111 N HICKORY ST OWOSSO MI 48867
StateFarm	
CONTACT NAME:	BOBBI YERIAN
PHONE (A/C, No, Ext):	(989)723-3232
FAX (A/C, No):	(989)725-5392
E-MAIL ADDRESS:	BOBBI@ALSHATTUCK.COM
INSURED	ANDREW GENOVESE 1370 W NORTH ST OWOSSO MI 48867

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: State Farm Fire and Casualty Company	25143
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$ 500,000
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
X	PERSONAL LIABILITY			22-BQ-V151-3	03/28/2016	03/28/2017	MED EXP (Any one person)	$ 1,000
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ☐ NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N						☐ PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ N/A (Mandatory in NH)						E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

OPERATIONS: CAR SHOW

LOCATION: CITY OF OWOSSO
INCLUDING EXCHANGE STREET BETWEEN WATER & PARK STREETS
WASHINGTON STREET BETWEEN MAIN & MASON STREETS

CERTIFICATE HOLDER

CITY OF OWOSSO
301 W MAIN ST
OWOSSO MI 48867

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

8th ANNUAL

Mid Michigan Custom Car Show 2015
Rules & Regulations

No alcoholic beverages will be permitted. Violators may be removed from the premises.

Car Show registrations must be completed between 9:00am and 12:00pm.

All Vehicles will be classified by the owner at the time of registration; please look closely at the Registration Form for the place to choose the class you would like to enter your car, truck, or bike into for judging.

Judging will begin at 11:00 sharp; please have vehicle ready to be judged.

Vehicle Registration Sheets must be displayed on all vehicles in the dash area; vehicles without entry cards will NOT be judged!

Car Show awards will include Top 50 Custom, Top 25 Special Interest, plus one Best of Show, and Best Club--ALL cars registered for the show are eligible for the "Best of Show" trophy. The winner of "Best in Show" is not eligible for any other awards.

No vehicles will be moved once they are parked, unless a staff member asks specifically for a vehicle to be moved. This is for safety reasons with the people/children present at the show.

Judges must have access to all areas of the vehicle, including the trunk, interior, or engine compartment if the participant wishes to be judged for that area. Judges are not to touch or open any areas of the vehicle to complete their judging duties, so please have all areas accessible to the judges during that time.

It is suggested that you be available to the judges during the time that your vehicle is being evaluated. They may have questions for you, or may need your assistance with your vehicle. However, it is NOT required that you talk to the judge unless he/she requests it.

All vehicles must remain in the show area during the event hours of 9:00-5:15pm. WINNERS MUST BE PRESENT TO WIN. If you leave early from the event, you may forfeit your show position, and may not receive the award for your class.

Judges Decisions are final. Revisions will not be made to judging sheets. Tie-breakers will be decided by the head judge after a short re-evaluation of details.

The City of Owosso reserves the right to enforce any and all city rules & regulations in addition to these.

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

MEMORANDUM

DATE: February 8, 2016

TO: City Council

FROM: Jessica B. Unangst, Director of HR & Administrative Services

RE: City of Owosso Flexible Spending Plan

Attached is an updated Service Agreement for the City of Owosso's Flexible Spending Plan. Over the past six years we have utilized Employee Benefit Concepts (EBC) to administer our flexible spending account (FSA) plans (both health and dependent care). I have reviewed both documents and have worked with EBC to update the language as it relates to the City of Owosso. These documents are updated on an annual basis. I recommend approval and authorization of the Flexible Spending Plan.

RESOLUTION ADOPTING THE CITY OF OWOSSO FLEXIBLE SPENDING PLAN

WHEREAS, the City of Owosso, a Michigan municipal corporation, provides a cafeteria plan for its employees;

WHEREAS, under the tax laws of the United States of America the city council must adopt a resolution for the calendar year effective January 1, 2016 and subsequent years;

NOW THEREFORE, the city council of the City of Owosso, Michigan (the

Employer) resolves: First, that the form of Cafeteria Plan including a

Dependent Care Flexible
Spending Account and Health Flexible Spending Account effective January 1, 2016 presented and attached is approved and adopted and that the duly authorized agents of the city are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

Second, that the Administrator is instructed to take such actions that they deem necessary and proper to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan.

Third, that the duly authorized agent of the Employer (the human resources director) shall act as soon as possible to notify city employees of the Cafeteria Plan's adoption by delivering to each employee a copy of the attached *Summary Plan Description*, which is hereby approved.

Fourth, the undersigned certifies that attached as Exhibits A and B, respectively, are true copies of the *City of Owosso Flexible Spending Plan* and the *Summary Plan Description* approved and adopted in this resolution.

Fifth, that all prior resolutions and documents for the *City of Owosso Flexible Spending Plan* are rescinded as of January 1, 2016.

SUMMARY PLAN DESCRIPTION

FOR

CITY OF OWOSSO

FLEXIBLE SPENDING PLAN

PLAN EFFECTIVE DATE:
JANUARY 1, 2016

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CITY OF OWOSSO FLEXIBLE SPENDING PLAN

INTRODUCTION

We are pleased to announce that we have established a "Flexible Benefit Plan" for you and other eligible employees. Under this Plan, you will be able to choose among certain benefits that we make available. The benefits that you may choose are outlined in this Summary Plan Description. We will also tell you about other important information concerning the Plan, such as the rules you must satisfy before you can join and the laws that protect your rights.

One of the most important features of our Plan is that the benefits being offered are generally ones that you are already paying for, but normally with money that has first been subject to income and Social Security taxes. Under this Plan, these same expenses will be paid for with a portion of your pay before Federal income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save.

Read this Summary Plan Description carefully so that you understand the provisions of our Plan and the benefits you will receive. This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. Also, if there is a conflict between an insurance contract and either the Plan document or this Summary Plan Description, the insurance contract will control. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This SPD describes the current provisions of the Plan which are designed to comply with applicable legal requirements. The Plan is subject to Federal laws, such as the Internal Revenue Code and other Federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or other federal agencies. We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Administrator (or other plan representative). The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About the Plan."

I
ELIGIBILITY

1. When can I become a participant in the Plan?

Before you become a Plan member (referred to in this Summary Plan Description as a "Participant"), there are certain rules which you must satisfy. First, you must meet the eligibility requirements and be an active employee. After that, the next step is to actually join the Plan on the "entry date" that we have established for all employees. The "entry date" is defined in Question 3 below. You will also be required to complete certain application forms before you can enroll in the Health Flexible Spending Account or Dependent Care Flexible Spending Account.

2. What are the eligibility requirements for our Plan?

You will be eligible to join the Plan once you have completed 30 consecutive days of employment.

3. When is my entry date?

You can join the Plan on the day the eligibility requirements are met.

4. What must I do to enroll in the Plan?

Before you can join the Plan, you must complete an application to participate in the Plan. The application includes your personal choices for each of the benefits which are being offered under the Plan. You must also authorize us to set some of your earnings aside in order to pay for the benefits you have elected.

However, if you are already covered under any of the insured benefits, you will automatically participate in this Plan to the extent of your premiums unless you elect not to participate in this Plan.

II
OPERATION

1. How does this Plan operate?

Before the start of each Plan Year, you will be able to elect to have some of your upcoming pay contributed to the Plan. These amounts will be used to pay for the benefits you have chosen. The portion of your pay that is paid to the Plan is not subject to Federal income or Social Security taxes. In other words, this allows you to use tax-free dollars to pay for certain kinds of benefits and expenses which you normally pay for with out-of-pocket, taxable dollars. However, if you receive a reimbursement for an expense under the Plan, you cannot claim a Federal income tax credit or deduction on your return. (See the Article entitled "General Information About Our Plan" for the definition of "Plan Year.")

III
CONTRIBUTIONS

1. How much of my pay may the Employer redirect?

Each year, we will automatically contribute on your behalf enough of your compensation to pay for the coverage provided unless you elect not to receive any or all of such coverage. You may also elect to have us contribute on your behalf enough of your compensation to pay for any other benefits that you elect under the Plan. These amounts will be deducted from your pay over the course of the year.

2. What happens to contributions made to the Plan?

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year. Later, they will be used to pay for the expenses as they arise during the Plan Year.

3. When must I decide which accounts I want to use?

You are required by Federal law to decide before the Plan Year begins, during the election period (defined below). You must decide two things. First, which benefits you want and, second, how much should go toward each benefit.

If you are already covered by any of the insured benefits offered by this Plan, you will automatically become a Participant to the extent of the premiums for such insurance unless you elect, during the election period (defined below), not to participate in the Plan.

4. When is the election period for our Plan?

You will make your initial election on or before your entry date. (You should review Section I on Eligibility to better understand the eligibility requirements and entry date.) Then, for each following Plan Year, the election period is established by the Administrator and applied uniformly to all Participants. It will normally be a period of time prior to the beginning of each Plan Year. The Administrator will inform you each year about the election period. (See the Article entitled "General Information About Our Plan" for the definition of Plan Year.)

5. May I change my elections during the Plan Year?

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections. You are permitted to change elections if you have a "change in status" and you make an election change that is consistent with the change in status. Currently, Federal law considers the following events to be a change in status:

-- Marriage, divorce, death of a spouse, legal separation or annulment;

-- Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;

-- Any of the following events for you, your spouse or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;

-- One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and

-- A change in the place of residence of you, your spouse or dependent that would lead to a change in status, such as moving out of a coverage area for insurance.

In addition, if you are participating in the Dependent Care Flexible Spending Account, then there is a change in status if your dependent no longer meets the qualifications to be eligible for dependent care.

There are detailed rules on when a change in election is deemed to be consistent with a change in status. In addition, there are laws that give you rights to change health coverage for you, your spouse, or your dependents. If you change coverage due to rights you have under the law, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the Administrator.

If the cost of a benefit provided under the Plan increases or decreases during a Plan Year, then we will automatically increase or decrease, as the case may be, your salary redirection election. If the cost increases significantly, you will be permitted to either make corresponding changes in your payments or revoke your election and obtain coverage under another benefit package option with similar coverage, or revoke your election entirely.

If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, then you may revoke your elections and elect to receive on a prospective basis coverage under another plan with similar coverage. In addition, if we add a new coverage option or eliminate an existing option, you may elect the newly-added option (or elect another option if an option has been eliminated) and make corresponding election changes to other options providing similar coverage. If you are not a Participant, you may elect to join the Plan. There are also certain situations when you may be able to change your elections on account of a change under the plan of your spouse's, former spouse's or dependent's employer.

These rules on change due to cost or coverage do not apply to the Health Flexible Spending Account, and you may not change your election to the Health Flexible Spending Account if you make a change due to cost or coverage for insurance.

You may not change your election under the Dependent Care Flexible Spending Account if the cost change is imposed by a dependent care provider who is your relative.

6. May I make new elections in future Plan Years?

Yes, you may. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. If you do not make new elections during the election period before a new Plan Year begins, we will assume you want your elections for insured or self-funded benefits only to remain the same and you will not be considered a Participant for the non-insured benefit options under the Plan for the upcoming Plan Year.

IV
BENEFITS

1. What benefits are offered under the Plan?

Under our Plan, you can choose to receive your entire compensation or use a portion to pay for the following benefits or expenses during the year.

2. Health Flexible Spending Account

The Health Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by our medical plan and save taxes at the same time. The Health Flexible Spending Account allows you to be reimbursed by the Employer for out-of-pocket medical, dental and/or vision expenses incurred by you and your dependents. Drug costs, including insulin, may be reimbursed.

You may only be reimbursed for "over the counter" drugs if those drugs are prescribed for you. You may not, however, be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

The most that you can contribute to your Health Flexible Spending Account each Plan Year is $2550.00. The minimum amount that you may contribute to the Health Flexible Spending Account each Plan Year is $60.00. In order to be reimbursed for a health care expense, you must submit an itemized bill from the service provider. We will also provide you with a debit or credit card to use to pay for medical expenses. The Administrator will provide you with further details. Amounts reimbursed from the Plan may not be claimed as a deduction on your personal income tax return. Reimbursement from the fund shall be paid at least once a month. Expenses under this Plan are treated as being "incurred" when you are provided with the care that gives rise to the expenses, not when you are formally billed or charged, or you pay for the medical care.

You may be reimbursed for expenses for any child until the end of the calendar year in which the child reaches age 26. A child is a natural child, stepchild, foster child, adopted child, or a child placed with you for adoption. If a child gains or regains eligibility due to these new rules, that qualifies as a change in status to change coverage.

Newborns' and Mothers' Health Protection Act: Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Women's Health and Cancer Rights Act: This plan, as required by the Women's Health and Cancer Rights Act of 1998, will reimburse up to plan limits for benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Contact your Plan Administrator for more information.

3. Dependent Care Flexible Spending Account

The Dependent Care Flexible Spending Account enables you to pay for out-of-pocket, work-related dependent day-care cost with pre-tax dollars. If you are married, you can use the account if you and your spouse both work or, in some situations, if your spouse goes to school full-time. Single employees can also use the account.

An eligible dependent is someone for whom you can claim expenses on Federal Income Tax Form 2441 "Credit for Child and Dependent Care Expenses." Children must be under age 13. Other dependents must be physically or mentally unable to care for themselves. Dependent Care arrangements which qualify include:

(a) A Dependent (Day) Care Center, provided that if care is provided by the facility for more than six individuals, the facility complies with applicable state and local laws;

(b) An Educational Institution for pre-school children. For older children, only expenses for non-school care are eligible; and

(c) An "Individual" who provides care inside or outside your home: The "Individual" may not be a child of yours under age 19 or anyone you claim as a dependent for Federal tax purposes.

You should make sure that the dependent care expenses you are currently paying for qualify under our Plan.

The law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Each Plan Year, the minimum amount you may contribute to the Dependent Care Flexible Spending Account is $60.00. Generally, your reimbursements may not exceed the lesser of: (a) $5,000 (if you are married filing a joint return or you are head of a household) or $2,500 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed earned income (a spouse who is a full time student or incapable of caring for himself/herself has a monthly earned income of $250 for one dependent or $500 for two or more dependents).

Also, in order to have the reimbursements made to you from this account be excludable from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider on your tax form for the year, as well as the amount of such expense as proof that the expense has been incurred. In addition, Federal tax laws permit a tax credit for certain dependent care expenses you may be paying for even if you are not a Participant in this Plan. You may save more money if you take advantage of this tax credit rather than using the Dependent Care Flexible Spending Account under our Plan. Ask your tax adviser which is better for you.

4. Premium Expense Account

A Premium Expense Account allows you to use tax-free dollars to pay for certain premium expenses under various insurance programs that we offer you. These premium expenses include:

-- Health care premiums under our self-funded medical plan.

-- Other insurance premiums

Under our Plan, we will establish sub-accounts for you for each different type of coverage that is available. Also, certain limits on the amount of coverage may apply.

The Administrator may terminate or modify Plan benefits at any time, subject to the provisions of any contracts providing benefits described above. Also, your coverage will end when you leave employment, are no longer eligible under the terms of any coverage, or when coverage terminates.

Any benefits to be provided by insurance will be provided only after (1) you have provided the Administrator the necessary information to apply for insurance, and (2) the insurance is in effect for you.

If you cover your children up to age 26 under your insurance, you can pay for that coverage through the Plan.

V
BENEFIT PAYMENTS

1. When will I receive payments from my accounts?

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is

performed, not necessarily when it is paid for. The Administrator will provide you with acceptable forms for submitting these requests for reimbursement. If the request qualifies as a benefit or expense that the Plan has agreed to pay, you will receive a reimbursement payment soon thereafter. Remember, these reimbursements which are made from the Plan are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes. The provisions of the insurance contracts will control what benefits will be paid and when. You will only be reimbursed from the Dependent Care Flexible Spending Account to the extent that there are sufficient funds in the Account to cover your request.

2. What happens if I don't spend all Plan contributions during the Plan Year?

Any monies left at the end of the Plan Year will be forfeited. Obviously, qualifying expenses that you incur late in the Plan Year for which you seek reimbursement after the end of such Plan Year will be paid first before any amount is forfeited. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Because it is possible that you might forfeit amounts in the Plan if you do not fully use the contributions that have been made, it is important that you decide how much to place in each account carefully and conservatively. Remember, you must decide which benefits you want to contribute to and how much to place in each account before the Plan Year begins. You want to be as certain as you can that the amount you decide to place in each account will be used up entirely.

3. Family and Medical Leave Act (FMLA)

If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for health insurance and the Health Flexible Spending Account. If your coverage in these benefits terminates, due to your revocation of the benefit while on leave or due to your non-payment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return. For the Health Flexible Spending Account, you may continue your coverage or you may revoke your coverage and resume it when you return. You can resume your coverage at its original level and make payments for the time that you are on leave. For example, if you elect $1,200 for the year and are out on leave for 3 months, then return and elect to resume your coverage at that level, your remaining payments will be increased to cover the difference - from $100 per month to $150 per month. Alternatively your maximum amount will be reduced proportionately for the time that you were gone. For example, if you elect $1,200 for the year and are out on leave for 3 months, your amount will be reduced to $900. The expenses you incur during the time you are not in the Health Flexible Spending Account are not reimbursable.

If you continue your coverage during your unpaid leave, you may pre-pay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to "catch up" your payments when you return.

4. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, you may have special rights to health care coverage under your Health Flexible Spending Account under the Uniformed Services Employment and Reemployment Rights Act of 1994. These rights can include extended health care coverage. If you may be affected by this law, ask your Administrator for further details.

5. What happens if I terminate employment?

If you terminate employment during the Plan Year, your right to benefits will be determined in the following manner:

(a) You will remain covered by insurance, but only for the period for which premiums have been paid prior to your termination of employment.

(b) You will still be able to request reimbursement for qualifying dependent care expenses for the remainder of the Plan Year from the balance remaining in your dependent care account at the time of termination of employment. However, no further salary redirection contributions will be made on your behalf after you terminate. You must submit claims within 90 days after the end of the Plan Year in which termination occurs.

(c) For health benefit coverage and Health Flexible Spending Account coverage on termination of employment, please see the Article entitled "Continuation Coverage Rights Under COBRA." Upon your termination of employment, your participation in the Health Flexible Spending Account will cease, and no further salary redirection contributions will be contributed on your behalf. However, you will be able to submit claims for health care expenses that were incurred before the end of the period for which payments to the Health Flexible Spending Account have already been made. Your further participation will be governed by "Continuation Coverage Rights Under COBRA."

6. Will my Social Security benefits be affected?

Your Social Security benefits may be slightly reduced because when you receive tax-free benefits under our Plan, it reduces the amount of contributions that you make to the Federal Social Security system as well as our contribution to Social Security on your behalf.

7. Qualified Reservist Distributions

If you are a member of a reserve unit and if you are ordered or called to active duty, then you may request a Qualified Reservist Distribution (QRD). A Qualified Reservist Distribution is a distribution of all or a portion of the amounts remaining in your Health Flexible Spending Account. You can only request this distribution if you are called to active duty for a period of 180 days or more or for an indefinite period. The distribution must be made during the period beginning on the date of the call and ending on the last date that reimbursements could otherwise be made under the Plan for the Plan Year which includes the date of the call.

You can receive the amount you have actually contributed minus any reimbursements you have already received (or are in process). The amount you request may be adjusted if needed to conform with your actual account balance. You must request the QRD before the last day of the Plan Year. Any claims that you submit after the date you request the QRD will not be processed. You can only request 12 QRDs for a Plan Year.

VI
HIGHLY COMPENSATED AND KEY EMPLOYEES

1. Do limitations apply to highly compensated employees?

Under the Internal Revenue Code, highly compensated employees and key employees generally are Participants who are officers, shareholders or highly paid. You will be notified by

the Administrator each Plan Year whether you are a highly compensated employee or a key employee.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Federal tax laws state that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under our Plan.

Plan experience will dictate whether contribution limitations on highly compensated employees or key employees will apply. You will be notified of these limitations if you are affected.

VII
PLAN ACCOUNTING

1. Periodic Statements

The Administrator will provide you with a statement of your account periodically during the Plan Year that shows your account balance. It is important to read these statements carefully so you understand the balance remaining to pay for a benefit. Remember, you want to spend all the money you have designated for a particular benefit by the end of the Plan Year.

VIII
GENERAL INFORMATION ABOUT OUR PLAN

This Section contains certain general information which you may need to know about the Plan.

1. General Plan Information

City of Owosso Flexible Spending Plan is the name of the Plan.

Your Employer has assigned Plan Number 510 to your Plan.

The provisions of the Plan become effective on January 1, 2016, which is called the Effective Date of the Plan.

Your Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1 and ends on December 31 of the same year.

2. Employer Information

Your Employer's name, address, and identification number are:

City of Owosso
301 West Main Street
Owosso, MI 48867
38-6004723

3. Plan Administrator Information

The name, address and business telephone number of your Plan's Administrator are:

Director of Human Resources
City of Owosso
301 West Main Street
Owosso, MI 48867
(989) 725-0552

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about our Plan. You may contact the Administrator for any further information about the Plan.

4. Service of Legal Process

The name and address of the Plan's agent for service of legal process are:

City of Owosso
301 West Main Street
Owosso, MI 48867

5. Type of Administration

The type of Administration is Employer Administration.

6. Claims Submission

Claims for expenses should be submitted to:

Employee Benefit Concepts, Inc a Group Resources® Company
P.O. Box 2365
Farmington Hills, MI 48333

IX
ADDITIONAL PLAN INFORMATION

1. Your Rights Under ERISA

Plan Participants, eligible employees and all other employees of the Employer may be entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code. These laws provide that Participants, eligible employees and all other employees are entitled to:

(a) examine, without charge, at the Administrator's office, all Plan documents, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor,

and available at the Public Disclosure Room of the Employee Benefits Security Administration;

(b) obtain copies of all Plan documents and other Plan information upon written request to the Administrator. The Administrator may charge a reasonable fee for the copies;

(c) continue health coverage for a Participant, Spouse, or other dependents if there is a loss of coverage under the Plan as a result of a qualifying event. Employees or dependents may have to pay for such coverage; and

(d) review this summary plan description and the documents governing the plan on the rules governing COBRA continuation rights.

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of an employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the best interest of you and other Plan Participants.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in Federal court.

Under ERISA there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may request the Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

If you have any questions about the Plan, you should contact the Administrator. If you have any questions about this statement, or about your rights under ERISA or the Health Insurance Portability and Accountability Act (HIPAA) or if you need assistance in obtaining documents from the Administrator, you should contact either the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) or visit the EBSA website at www.dol.gov/ebsa/. (Addresses and phone numbers of Regional and

District EBSA Offices are available through EBSA's website.) You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

2. Claims Process

You should submit all reimbursement claims during the Plan Year. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. If you terminate employment during the Plan Year, you must submit your Health Flexible Spending Account claims within 90 days after your termination of employment. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Any claims submitted after that time will not be considered.

Claims that are insured or self-funded will be handled in accordance with procedures contained in the insurance policies or contracts. All other general requests should be directed to the Administrator of our Plan. If a dependent care claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 60 days after denial, you or your beneficiary may submit a written request for reconsideration of the denial to the Administrator.

Any such request should be accompanied by documents or records in support of your appeal. You or your beneficiary may review pertinent documents and submit issues and comments in writing. The Administrator will review the claim and provide, within 60 days, a written response to the appeal. (This period may be extended an additional 60 days under certain circumstances.) In this response, the Administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. The Administrator has the exclusive right to interpret the appropriate plan provisions. Decisions of the Administrator are conclusive and binding.

In the case of a claim for medical expenses under the Health Flexible Spending Account, the following timetable for claims applies:

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days
Insufficient information on the claim:	
Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Plan Administrator will provide written or electronic notification of any claim denial. The notice will state:

(a) The specific reason or reasons for the denial;

(b) Reference to the specific Plan provisions on which the denial was based;

(c) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;

(d) A description of the Plan's review procedures and the time limits applicable to such procedures. This will include a statement of your right to bring a civil action under section 502 of ERISA following a denial on review;

(e) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim; and

(f) If the denial was based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided free of charge. If this is not practical, a statement will be included that such a rule, guideline, protocol, or criterion was relied upon in making the denial and a copy will be provided free of charge to the claimant upon request.

When you receive a denial, you will have 180 days following receipt of the notification in which to appeal the decision. You may submit written comments, documents, records, and other information relating to the claim. If you request, you will be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the Plan. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a claim if it:

(a) was relied upon in making the claim determination;

(b) was submitted, considered, or generated in the course of making the claim determination, without regard to whether it was relied upon in making the claim determination;

(c) demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that claim determinations are made in accordance with Plan documents and Plan provisions have been applied consistently with respect to all claimants; or

(d) constituted a statement of policy or guidance with respect to the Plan concerning the denied claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the Plan who is neither the individual who made the adverse determination nor a subordinate of that individual.

3. Qualified Medical Child Support Order

A medical child support order is a judgment, decree or order (including approval of a property settlement) made under state law that provides for child support or health coverage for the child of a participant. The child becomes an "alternate recipient" and can receive benefits under the health plans of the Employer, if the order is determined to be "qualified." You may obtain, without charge, a copy of the procedures governing the determination of qualified medical child support orders from the Plan Administrator.

X
CONTINUATION COVERAGE RIGHTS UNDER COBRA

Under federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), certain employees and their families covered under health benefits under this Plan will be entitled to the opportunity to elect a temporary extension of health coverage (called "COBRA continuation coverage") where coverage under the Plan would otherwise end. This notice is intended to inform Plan Participants and beneficiaries, in summary fashion, of their rights and obligations under the continuation coverage provisions of COBRA, as amended and reflected in final and proposed regulations published by the Department of the Treasury. This notice is intended to reflect the law and does not grant or take away any rights under the law.

The Plan Administrator or its designee is responsible for administering COBRA continuation coverage. Complete instructions on COBRA, as well as election forms and other information, will be provided by the Plan Administrator or its designee to Plan Participants who become Qualified Beneficiaries under COBRA. While the Plan itself is not a group health plan, it does provide health benefits. Whenever "Plan" is used in this section, it means any of the health benefits under this Plan including the Health Flexible Spending Account.

1. What is COBRA continuation coverage?

COBRA continuation coverage is the temporary extension of group health plan coverage that must be offered to certain Plan Participants and their eligible family members (called "Qualified Beneficiaries") at group rates. The right to COBRA continuation coverage is triggered by the occurrence of a life event that results in the loss of coverage under the terms of the Plan (the "Qualifying Event"). The coverage must be identical to the coverage that the Qualified Beneficiary had immediately before the Qualifying Event, or if the coverage has been changed, the coverage must be identical to the coverage provided to similarly situated active employees who have not experienced a Qualifying Event (in other words, similarly situated non-COBRA beneficiaries).

2. Who can become a Qualified Beneficiary?

In general, a Qualified Beneficiary can be:

(a) Any individual who, on the day before a Qualifying Event, is covered under a Plan by virtue of being on that day either a covered Employee, the Spouse of a covered Employee, or a Dependent child of a covered Employee. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

(b) Any child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, and any individual who is covered by the Plan as an alternate recipient under a qualified medical support order. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

The term "covered Employee" includes any individual who is provided coverage under the Plan due to his or her performance of services for the employer sponsoring the Plan. However, this provision does not establish eligibility of these individuals. Eligibility for Plan coverage shall be determined in accordance with Plan Eligibility provisions.

An individual is not a Qualified Beneficiary if the individual's status as a covered Employee is attributable to a period in which the individual was a nonresident alien who received from the individual's Employer no earned income that constituted income from sources within the United States. If, on account of the preceding reason, an individual is not a Qualified Beneficiary, then a Spouse or Dependent child of the individual will also not be considered a Qualified Beneficiary by virtue of the relationship to the individual. A domestic partner is not a Qualified Beneficiary.

Each Qualified Beneficiary (including a child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage) must be offered the opportunity to make an independent election to receive COBRA continuation coverage.

3. What is a Qualifying Event?

A Qualifying Event is any of the following if the Plan provided that the Plan participant would lose coverage (i.e., cease to be covered under the same terms and conditions as in effect immediately before the Qualifying Event) in the absence of COBRA continuation coverage:

(a) The death of a covered Employee.

(b) The termination (other than by reason of the Employee's gross misconduct), or reduction of hours, of a covered Employee's employment.

(c) The divorce or legal separation of a covered Employee from the Employee's Spouse. If the Employee reduces or eliminates the Employee's Spouse's Plan coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a Qualifying Event even though the Spouse's coverage was reduced or eliminated before the divorce or legal separation.

(d) A covered Employee's enrollment in any part of the Medicare program.

(e) A Dependent child's ceasing to satisfy the Plan's requirements for a Dependent child (for example, attainment of the maximum age for dependency under the Plan).

If the Qualifying Event causes the covered Employee, or the covered Spouse or a Dependent child of the covered Employee, to cease to be covered under the Plan under the same terms and conditions as in effect immediately before the Qualifying Event, the persons losing such coverage become Qualified Beneficiaries under COBRA if all the other conditions of

COBRA are also met. For example, any increase in contribution that must be paid by a covered Employee, or the Spouse, or a Dependent child of the covered Employee, for coverage under the Plan that results from the occurrence of one of the events listed above is a loss of coverage.

The taking of leave under the Family and Medical Leave Act of 1993 ("FMLA") does not constitute a Qualifying Event. A Qualifying Event will occur, however, if an Employee does not return to employment at the end of the FMLA leave and all other COBRA continuation coverage conditions are present. If a Qualifying Event occurs, it occurs on the last day of FMLA leave and the applicable maximum coverage period is measured from this date (unless coverage is lost at a later date and the Plan provides for the extension of the required periods, in which case the maximum coverage date is measured from the date when the coverage is lost.) Note that the covered Employee and family members will be entitled to COBRA continuation coverage even if they failed to pay the employee portion of premiums for coverage under the Plan during the FMLA leave.

4. What factors should be considered when determining to elect COBRA continuation coverage?

You should take into account that a failure to continue your group health coverage will affect your rights under federal law. First, you can lose the right to avoid having pre-existing condition exclusions applied by other group health plans if there is more than a 63-day gap in health coverage and election of COBRA continuation coverage may help you avoid such a gap. Second, if you do not elect COBRA continuation coverage and pay the appropriate premiums for the maximum time available to you, you will lose the right to convert to an individual health insurance policy, which does not impose such pre-existing condition exclusions. Finally, you should take into account that you have special enrollment rights under federal law (HIPAA). You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your Spouse's employer) within 30 days after Plan coverage ends due to a Qualifying Event listed above. You will also have the same special right at the end of COBRA continuation coverage if you get COBRA continuation coverage for the maximum time available to you.

5. What is the procedure for obtaining COBRA continuation coverage?

The Plan has conditioned the availability of COBRA continuation coverage upon the timely election of such coverage. An election is timely if it is made during the election period.

6. What is the election period and how long must it last?

The election period is the time period within which the Qualified Beneficiary must elect COBRA continuation coverage under the Plan. The election period must begin no later than the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event and ends 60 days after the later of the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event or the date notice is provided to the Qualified Beneficiary of her or his right to elect COBRA continuation coverage. If coverage is not elected within the 60 day period, all rights to elect COBRA continuation coverage are forfeited.

Note: If a covered Employee who has been terminated or experienced a reduction of hours qualifies for a trade readjustment allowance or alternative trade adjustment assistance under a federal law called the Trade Act of 2002, and the employee and his or her covered dependents have not elected COBRA coverage within the normal election period, a second opportunity to elect COBRA coverage will be made available for themselves and certain family members, but only within a limited period of 60 days or less and only during the six months

immediately after their group health plan coverage ended. Any person who qualifies or thinks that he or she and/or his or her family members may qualify for assistance under this special provision should contact the Plan Administrator or its designee for further information.

The Trade Act of 2002 also created a tax credit for certain TAA-eligible individuals and for certain retired employees who are receiving pension payments from the Pension Benefit Guaranty Corporation (PBGC) (eligible individuals). Under the new tax provisions, eligible individuals can either take a tax credit or get advance payment of 65% of premiums paid for qualified health insurance, including continuation coverage. If you have questions about these new tax provisions, you may call the Health Coverage Tax Credit Consumer Contact Center toll-free at 1-866-628-4282. TTD/TTY callers may call toll-free at 1-866-626-4282. More information about the Trade Act is also available at www.doleta.gov/tradeact.

7. Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event?

The Plan will offer COBRA continuation coverage to Qualified Beneficiaries only after the Plan Administrator or its designee has been timely notified that a Qualifying Event has occurred. The Employer (if the Employer is not the Plan Administrator) will notify the Plan Administrator or its designee of the Qualifying Event within 30 days following the date coverage ends when the Qualifying Event is:

(a) the end of employment or reduction of hours of employment,

(b) death of the employee,

(c) commencement of a proceeding in bankruptcy with respect to the Employer, or

(d) entitlement of the employee to any part of Medicare.

IMPORTANT:

For the other Qualifying Events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you or someone on your behalf must notify the Plan Administrator or its designee in writing within 60 days after the Qualifying Event occurs, using the procedures specified below. If these procedures are not followed or if the notice is not provided in writing to the Plan Administrator or its designee during the 60-day notice period, any spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage. You must send this notice to the Plan Administrator or its designee.

NOTICE PROCEDURES:

Any notice that you provide must be ***in writing***. Oral notice, including notice by telephone, is not acceptable. You must mail, fax or hand-deliver your notice to the person, department or firm listed below, at the following address:

Human Resources
City of Owosso
301 West Main Street
Owosso, MI 48867

If mailed, your notice must be postmarked no later than the last day of the required notice period. Any notice you provide must state:

- the **name of the plan or plans** under which you lost or are losing coverage,
- the **name and address of the employee** covered under the plan,
- the **name(s) and address(es) of the Qualified Beneficiary(ies)**, and
- the **Qualifying Event** and the **date** it happened.

If the Qualifying Event is a **divorce or legal separation**, your notice must include **a copy of the divorce decree or the legal separation agreement**.

Be aware that there are other notice requirements in other contexts, for example, in order to qualify for a disability extension.

Once the Plan Administrator or its designee receives *timely notice* that a Qualifying Event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each Qualified Beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage for their spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each Qualified Beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that plan coverage would otherwise have been lost. If you or your spouse or dependent children do not elect continuation coverage within the 60-day election period described above, the right to elect continuation coverage will be lost.

8. Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights?

If, during the election period, a Qualified Beneficiary waives COBRA continuation coverage, the waiver can be revoked at any time before the end of the election period. Revocation of the waiver is an election of COBRA continuation coverage. However, if a waiver is later revoked, coverage need not be provided retroactively (that is, from the date of the loss of coverage until the waiver is revoked). Waivers and revocations of waivers are considered made on the date they are sent to the Plan Administrator or its designee, as applicable.

9. Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare?

Qualified Beneficiaries who are entitled to elect COBRA continuation coverage may do so even if they are covered under another group health plan or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a Qualified Beneficiary's COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare or becomes covered under other group health plan coverage (but only after any applicable preexisting condition exclusions of that other plan have been exhausted or satisfied).

10. When may a Qualified Beneficiary's COBRA continuation coverage be terminated?

During the election period, a Qualified Beneficiary may waive COBRA continuation coverage. Except for an interruption of coverage in connection with a waiver, COBRA continuation coverage that has been elected for a Qualified Beneficiary must extend for at least the period beginning on the date of the Qualifying Event and ending not before the earliest of the following dates:

(a) The last day of the applicable maximum coverage period.

(b) The first day for which Timely Payment is not made to the Plan with respect to the Qualified Beneficiary.

(c) The date upon which the Employer ceases to provide any group health plan (including a successor plan) to any employee.

(d) The date, after the date of the election, that the Qualified Beneficiary first becomes covered under any other Plan that does not contain any exclusion or limitation with respect to any pre-existing condition, other than such an exclusion or limitation that does not apply to, or is satisfied by, the Qualified Beneficiary.

(e) The date, after the date of the election, that the Qualified Beneficiary first becomes entitled to Medicare (either part A or part B, whichever occurs earlier).

(f) In the case of a Qualified Beneficiary entitled to a disability extension, the later of:

(1) (i) 29 months after the date of the Qualifying Event, or (ii) the first day of the month that is more than 30 days after the date of a final determination under Title II or XVI of the Social Security Act that the disabled Qualified Beneficiary whose disability resulted in the Qualified Beneficiary's entitlement to the disability extension is no longer disabled, whichever is earlier; or

(2) the end of the maximum coverage period that applies to the Qualified Beneficiary without regard to the disability extension.

The Plan can terminate for cause the coverage of a Qualified Beneficiary on the same basis that the Plan terminates for cause the coverage of similarly situated non-COBRA beneficiaries, for example, for the submission of a fraudulent claim.

In the case of an individual who is not a Qualified Beneficiary and who is receiving coverage under the Plan solely because of the individual's relationship to a Qualified Beneficiary, if the Plan's obligation to make COBRA continuation coverage available to the Qualified Beneficiary ceases, the Plan is not obligated to make coverage available to the individual who is not a Qualified Beneficiary.

11. What are the maximum coverage periods for COBRA continuation coverage?

The maximum coverage periods are based on the type of the Qualifying Event and the status of the Qualified Beneficiary, as shown below.

(a) In the case of a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period ends 18 months after the Qualifying Event if there is not a disability extension and 29 months after the Qualifying Event if there is a disability extension.

(b) In the case of a covered Employee's enrollment in the Medicare program before experiencing a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period for Qualified Beneficiaries other than the covered Employee ends on the later of:

(1) 36 months after the date the covered Employee becomes enrolled in the Medicare program; or

(2) 18 months (or 29 months, if there is a disability extension) after the date of the covered Employee's termination of employment or reduction of hours of employment.

(c) In the case of a Qualified Beneficiary who is a child born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, the maximum coverage period is the maximum coverage period applicable to the Qualifying Event giving rise to the period of COBRA continuation coverage during which the child was born or placed for adoption.

(d) In the case of any other Qualifying Event than that described above, the maximum coverage period ends 36 months after the Qualifying Event.

12. Under what circumstances can the maximum coverage period be expanded?

If a Qualifying Event that gives rise to an 18-month or 29-month maximum coverage period is followed, within that 18- or 29-month period, by a second Qualifying Event that gives rise to a 36-months maximum coverage period, the original period is expanded to 36 months, but only for individuals who are Qualified Beneficiaries at the time of and with respect to both Qualifying Events. In no circumstance can the COBRA maximum coverage period be expanded to more than 36 months after the date of the first Qualifying Event. The Plan Administrator must be notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

13. How does a Qualified Beneficiary become entitled to a disability extension?

A disability extension will be granted if an individual (whether or not the covered Employee) who is a Qualified Beneficiary in connection with the Qualifying Event that is a termination or reduction of hours of a covered Employee's employment, is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage. To qualify for the disability extension, the Qualified Beneficiary must also provide the Plan Administrator with notice of the disability determination on a date that is both within 60 days after the date of the determination and before the end of the original 18-month maximum coverage. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

14. Does the Plan require payment for COBRA continuation coverage?

For any period of COBRA continuation coverage under the Plan, Qualified Beneficiaries who elect COBRA continuation coverage may be required to pay up to 102% of the applicable premium and up to 150% of the applicable premium for any expanded period of COBRA continuation coverage covering a disabled Qualified Beneficiary due to a disability extension. Your Plan Administrator will inform you of the cost. The Plan will terminate a Qualified Beneficiary's COBRA continuation coverage as of the first day of any period for which timely payment is not made.

15. Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments?

Yes. The Plan is also permitted to allow for payment at other intervals.

16. What is Timely Payment for COBRA continuation coverage?

Timely Payment means a payment made no later than 30 days after the first day of the coverage period. Payment that is made to the Plan by a later date is also considered Timely Payment if either under the terms of the Plan, covered Employees or Qualified Beneficiaries are allowed until that later date to pay for their coverage for the period or under the terms of an arrangement between the Employer and the entity that provides Plan benefits on the Employer's behalf, the Employer is allowed until that later date to pay for coverage of similarly situated non-COBRA beneficiaries for the period.

Notwithstanding the above paragraph, the Plan does not require payment for any period of COBRA continuation coverage for a Qualified Beneficiary earlier than 45 days after the date on which the election of COBRA continuation coverage is made for that Qualified Beneficiary. Payment is considered made on the date on which it is postmarked to the Plan.

If Timely Payment is made to the Plan in an amount that is not significantly less than the amount the Plan requires to be paid for a period of coverage, then the amount paid will be deemed to satisfy the Plan's requirement for the amount to be paid, unless the Plan notifies the Qualified Beneficiary of the amount of the deficiency and grants a reasonable period of time for payment of the deficiency to be made. A "reasonable period of time" is 30 days after the notice is provided. A shortfall in a Timely Payment is not significant if it is no greater than the lesser of $50 or 10% of the required amount.

17. Must a Qualified Beneficiary be given the right to enroll in a conversion health plan at the end of the maximum coverage period for COBRA continuation coverage?

If a Qualified Beneficiary's COBRA continuation coverage under a group health plan ends as a result of the expiration of the applicable maximum coverage period, the Plan will, during the 180-day period that ends on that expiration date, provide the Qualified Beneficiary with the option of enrolling under a conversion health plan if such an option is otherwise generally available to similarly situated non-COBRA beneficiaries under the Plan. If such a conversion option is not otherwise generally available, it need not be made available to Qualified Beneficiaries.

18. How is my participation in the Health Flexible Spending Account affected?

You can elect to continue your participation in the Health Flexible Spending Account for the remainder of the Plan Year, subject to the following conditions. You may only continue to participate in the Health Flexible Spending Account if you have elected to contribute more money than you have taken out in claims. For example, if you elected to contribute an annual amount of $500 and, at the time you terminate employment, you have contributed $300 but only claimed $150, you may elect to continue coverage under the Health Flexible Spending Account. If you elect to continue coverage, then you would be able to continue to receive your health reimbursements up to the $500. However, you must continue to pay for the coverage, just as the money has been taken out of your paycheck, but on an after-tax basis. The Plan can also charge you an extra amount (as explained above for other health benefits) to provide this benefit.

IF YOU HAVE QUESTIONS

If you have questions about your COBRA continuation coverage, you should contact the Plan Administrator or its designee. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other

laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at www.dol.gov/ebsa.

KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

XI
SUMMARY

The money you earn is important to you and your family. You need it to pay your bills, enjoy recreational activities and save for the future. Our flexible benefits plan will help you keep more of the money you earn by lowering the amount of taxes you pay. The Plan is the result of our continuing efforts to find ways to help you get the most for your earnings.

If you have any questions, please contact the Administrator.

PLAN DOCUMENT

FOR

CITY OF OWOSSO

FLEXIBLE SPENDING PLAN

PLAN EFFECTIVE DATE:
JANAURY 1, 2016

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CITY OF OWOSSO FLEXIBLE SPENDING PLAN

INTRODUCTION

The Employer has adopted this Plan effective January 1, 2016, to recognize the contribution made to the Employer by its Employees. Its purpose is to reward them by providing benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. The Plan shall be known as City of Owosso Flexible Spending Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

ARTICLE I
DEFINITIONS

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 9.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under the self-funded plan for purposes of that plan or under Code Section 152 (as modified by Code Section 105(b)). Any child of a Plan Participant who is determined to be an alternate recipient under a qualified medical child support order under ERISA Sec. 609 shall be considered a Dependent under this Plan.

"Dependent" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Insurance Contract, or under the Health Flexible Spending Account or as allowed by reason of the Affordable Care Act.

For purposes of the Health Flexible Spending Account, a Participant's "Child" includes his natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

1.8 **"Effective Date"** means January 1, 2016.

1.9 **"Election Period"** means the period established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 **"Eligible Employee"** means any Employee who has satisfied the provisions of Section 2.1.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

1.11 **"Employee"** means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 **"Employer"** means City of Owosso and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. In addition, where appropriate, the term Employer shall include any Affiliated Employer.

1.13 **"ERISA"** means the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.14 **"Grace Period"** means, with respect to any Plan Year, the time period ending on the 75th day after the end of such Plan Year, during which medical expenses and employment-related dependent care expenses incurred by a participant will be deemed to have been incurred during such Plan Year.

1.15 **"Insurance Contract"** means any contract issued by an Insurer underwriting a Benefit Option.

1.16 **"Insurer"** means any insurance company that underwrites a Benefit Option under this Plan or, with respect to any self-funded benefits, the Employer.

1.17 **"Key Employee"** means an Employee described in Code Section 416(i)(1) and the Treasury regulations thereunder.

1.18 **"Participant"** means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.

1.19 **"Plan"** means this instrument, including all amendments thereto.

1.20 **"Plan Year"** means the 12-month period beginning January 1 and ending December 31 of the same year. The Plan Year shall be the coverage period for the Benefit Options provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.21 **"Premium Expenses"** or **"Premiums"** mean the Participant's cost for the benefits described in Section 4.1.

1.22 **"Premium Expense Reimbursement Account"** means the account established for a Participant pursuant to this Plan to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant shall be paid or reimbursed. If more than one type of insured or self-funded Benefit Option is elected, sub-accounts shall be established for each type of insured or self-funded Benefit Options.

1.23 **"Salary Redirection"** means the contributions made by the Employer on behalf of Participants pursuant to Section 3.1. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.24 **"Salary Redirection Agreement"** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.25 **"Spouse"** means "spouse" as defined in the self-funded plan for purposes of that plan, “spouse” as defined by the Insurance Contract or the "spouse," as defined under Federal law, of a Participant, unless legally separated by court decree.

ARTICLE II
PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder the first day following completion of a 30 day waiting period, the provisions of which are specifically incorporated herein by reference.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the date on which he satisfies the requirements of Section 2.1, the provisions of which are specifically incorporated herein by reference.

2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate in a manner set forth by the Administrator. The election shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to complete a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured or self-funded Benefit Options under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

2.4 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

(a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.5;

(b) **Death.** The Participant's death, subject to the provisions of Section 2.6; or

(c) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 10.2.

2.5 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall be governed in accordance with the following:

(a) **Insurance Benefit.** With regard to benefits provided under Section 4.1, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract or self-funded benefit for which premiums have already been paid.

(b) **Dependent Care FSA.** With regard to the Dependent Care Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment related Dependent Care Expense reimbursements for claims incurred through the remainder of the Plan Year in which such termination occurs and submitted within 90 days after the end of the

Plan Year, based on the level of the Participant's Dependent Care Flexible Spending Account as of the date of termination.

(c) **COBRA applicability.** With regard to the Health Flexible Spending Account, the Participant may submit claims for expenses that were incurred during the portion of the Plan Year before the end of the period for which payments to the Health Flexible Spending Account have already been made. Thereafter, the health benefits under this Plan including the Health Flexible Spending Account shall be applied and administered consistent with such further rights a Participant and his Dependents may be entitled to pursuant to Code Section 4980B and Section 11.13 of the Plan.

2.6 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to each specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent. If the Plan is subject to the provisions of Code Section 4980B, then those provisions and related regulations shall apply for purposes of the Health Flexible Spending Account.

ARTICLE III
CONTRIBUTIONS TO THE PLAN

3.1 SALARY REDIRECTION

Benefits under the Plan shall be financed by Salary Redirections sufficient to support Benefit Options that a Participant has elected hereunder and to pay the Participant's Premium Expenses. The salary administration program of the Employer shall be revised to allow each Participant to agree to reduce his pay during a Plan Year by an amount determined necessary to purchase the elected Benefit Options. The amount of such Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection Agreement shall only be applicable from the first day of the pay period following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.2 APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Salary Redirection to provide the benefits elected by the affected Participants. Any

contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

3.3 PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year.

ARTICLE IV
BENEFITS

4.1 BENEFIT OPTIONS

Each Participant may elect any one or more of the following optional Benefit Options:

(1) Health Flexible Spending Account

(2) Dependent Care Flexible Spending Account

In addition, each Participant shall have a sufficient portion of his Salary Redirections applied to the following Benefit Options unless the Participant elects not to receive such benefits:

(3) Health Insurance Benefit

(4) Other Insurance Benefit

4.2 HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Health Flexible Spending Account option, in which case Article VI shall apply.

4.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Dependent Care Flexible Spending Account option, in which case Article VII shall apply.

4.4 HEALTH INSURANCE BENEFIT

(a) **Coverage for Participant and Dependents.** Each Participant may elect to be covered under a health Contract for the Participant, his or her Spouse, and his or her Dependents.

(b) **Employer selects contracts.** The Employer may select suitable health Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit Option.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Contract shall be determined therefrom, and such Contract shall be incorporated herein by reference.

4.5 OTHER INSURANCE BENEFIT

(a) **Employer selects contracts.** The Employer may select additional health or other policies allowed under Code Section 125 or allow the purchase of additional health or other policies by and for Participants, which policies will provide uniform benefits for all Participants electing this Benefit.

(b) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from any additional Insurance Contract shall be determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

4.6 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **25% concentration test.** It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits which (without regard to this paragraph) are includible in gross income.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination may not occur in violation of Code Section 125, it may, but shall not be required to, reduce contributions or non-taxable Benefit Options in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reduce contributions or non-taxable Benefit Options, it shall be done in the following manner. First, the non-taxable Benefit Options of the affected Participant (either an employee who is highly compensated or a Key Employee, whichever is applicable) who has the highest amount of non-taxable Benefit Options for the Plan Year shall have his non-taxable Benefit Options reduced until the discrimination tests set forth in this Section are satisfied or until the amount of his non-taxable Benefit Options equals the non-taxable Benefit Options of the affected Participant who has the second highest amount of non-taxable Benefit Options. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. With respect to any affected Participant who has had benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Flexible Spending Account Benefits and Dependent Care Flexible Spending Account Benefits, and once all these Benefits are expended, proportionately among self-funded Benefits. Contributions which are not utilized to provide Benefits to any Participant by virtue of any

administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

ARTICLE V
PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured or self-funded benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form to be provided by the Administrator, which spending account Benefit Options he wishes to select. Any such election shall be effective for any benefit expenses incurred during the Plan Year which follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

(a) A Participant or Employee who failed to initially elect to participate may elect different or new Benefit Options under the Plan during the Election Period;

(b) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

5.3 FAILURE TO ELECT

With regard to Benefits available under the Plan for which no Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for the subsequent Plan Year for such benefits.

With regard to Benefit Options available under the Plan for which Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

5.4 CHANGE IN STATUS

(a) **Change in status defined.** Any Participant may change a benefit election after the Plan Year (to which such election relates) has commenced and

make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains or loses eligibility for coverage, then a Participant's election under the Plan to cease or decrease coverage for that individual under the Plan corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

(1) Legal Marital Status: events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;

(2) Number of Dependents: Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;

(3) Employment Status: Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;

(4) Dependent satisfies or ceases to satisfy the eligibility requirements: An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and

(5) Residency: A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Dependent Care Flexible Spending Account, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and IRS Notice 2010-38, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (SCHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order defined in ERISA Section 609) which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

(1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or

(2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

(e) **Cost increase or decrease.** If the cost of a Benefit Option provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit Option. Alternatively, if

the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

(f) **Loss of coverage.** If the coverage under a Benefit Option is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit Option and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.

(g) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(h) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(i) **Change of coverage due to change under certain other plans.** A Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse's, former Spouse's or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse's, former Spouse's or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse's, former Spouse's or Dependent's employer.

(j) **Change in dependent care provider.** A Participant may make a prospective election change that is on account of and corresponds with a change by the Participant in the dependent care provider. The availability of dependent care services from a new childcare provider is similar to a new benefit package option becoming available. A cost change is allowable in the Dependent Care Flexible Spending Account only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).

(k) **Health FSA cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Flexible Spending Account as a result of a cost or coverage change under any health insurance benefits.

ARTICLE VI
HEALTH FLEXIBLE SPENDING ACCOUNT

6.1 ESTABLISHMENT OF PLAN

This Health Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Flexible Spending Account may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Health Flexible Spending Account. Periodic payments reimbursing Participants from the Health Flexible Spending Account shall in no event occur less frequently than monthly.

6.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

(a) **"Health Flexible Spending Account"** means the account established for Participants pursuant to this Plan to which part of their Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents may be reimbursed.

(b) **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:

(1) one of the 5 highest paid officers;

(2) a shareholder who owns (or is considered to own applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or

(3) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).

(c) **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not otherwise used by the Participant as a deduction in determining his tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

Effective January 1, 2011, a Participant may not be reimbursed for the cost of any medicine or drug that is not "prescribed" within the meaning of Code Section 106(f) or is not insulin.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his Spouse or Dependent.

A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).

(d) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Flexible Spending Account.

6.3 FORFEITURES

The amount in the Health Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason, subject to Section 8.2.

6.4 LIMITATION ON ALLOCATIONS

Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum amount that may be allocated to the Health Flexible Spending Account by a Participant in or on account of any Plan Year is $2500.00. The minimum amount that may be allocated to the Health Flexible Spending Account by a Participant in or on account of any Plan Year is $60.00.

6.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Health Flexible Spending Account not to discriminate in violation of the Code and the Treasury regulations thereunder.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Flexible Spending Account, it may, but shall not be required to, reject any elections or reduce contributions or benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or benefits, it shall be done in the following manner. First, the Benefit Options designated for the Health Flexible Spending Account by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the next member of the group in whose favor discrimination may not occur pursuant to Code Section 105 who has elected the second highest contribution to the Health Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section or the Code are satisfied. Contributions which are not utilized

to provide benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

6.6 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive benefits under this Health Flexible Spending Account. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

6.7 HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS

(a) **Expenses must be incurred during Plan Year.** All Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year shall be reimbursed during the Plan Year subject to Section 2.5, even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

(b) **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Flexible Spending Account for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his Spouse or Dependents.

(c) **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Flexible Spending Account, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.

(d) **Grace Period.** Notwithstanding anything in this Section to the contrary, Medical Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.

(e) **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a

Participant fails to submit a claim within 90 days after the end of the Plan Year, those Medical Expense claims shall not be considered for reimbursement by the Administrator. If a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 90 days after termination of employment.

6.8 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Medical Expenses, subject to the following terms:

(a) **Card only for medical expenses.** Each Participant issued a card shall certify that such card shall only be used for Medical Expenses. The Participant shall also certify that any Medical Expense paid with the card has not already been reimbursed by any other plan covering health benefits and that the Participant will not seek reimbursement from any other plan covering health benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Health Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Health Flexible Spending Account.

(c) **Maximum dollar amount available.** The dollar amount of coverage available on the card shall be the amount elected by the Participant for the Plan Year. The maximum dollar amount of coverage available shall be the maximum amount for the Plan Year as set forth in Section 6.4.

(d) **Only available for use with certain service providers.** The cards shall only be accepted by such merchants and service providers as have been approved by the Administrator.

(e) **Card use.** The cards shall only be used for Medical Expense purchases at these providers, including, but not limited to, the following:

(1) Co-payments for doctor and other medical care;

(2) Purchase of drugs prescribed by a health care provider, including, if permitted by the Administrator, over-the-counter medications as allowed under IRS regulations;

(3) Purchase of medical items such as eyeglasses, syringes, crutches, etc.

(f) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(g) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as a Medical Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

(1) Repayment of the improper amount by the Participant;

(2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;

(3) Claims substitution or offset of future claims until the amount is repaid; and

(4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

6.9 QUALIFIED RESERVIST DISTRIBUTIONS

(a) **Qualified Reservist Distribution.** A Participant may request a Qualified Reservist Distribution, provided the following provisions are satisfied. "Qualified Reservist Distribution" means any distribution to a Participant of all or a portion of the balance in the Participant's Health Flexible Spending Account if:

(1) Such Participant was an individual who was (by reason of being a member of a reserve component (as defined in Section 101 of Title 37, United States Code)) ordered or called to active duty for a period of 180 days or more or for an indefinite period.

(2) A Participant may have been called prior to June 18, 2008, provided the individual's active duty continues after June 18, 2008 and the period of duty complies with subsection (a).

(3) The distribution is made during the period beginning on the date of the order or call that applies to the Participant and ending on the last day of the Plan Year which includes the date of such order or call.

(4) The Qualified Reservist Distribution option is offered to all Participants who qualify under this Article.

(5) Qualified Reservist Distributions may only be made if the Participant is ordered or called to active duty, not the Participant's spouse or dependents.

(6) Under Section 101 of the Title 37 of the United States Code, "reserve component" means: (1) the Army National Guard, (2) the Army Reserve, (3) the Navy Reserve, (4) the Marine Corps Reserve, (5) the Air National Guard, (6) the Air Force Reserve, (7) the Coast Guard Reserve, or (8) the Reserve Corps of the Public Health Service.

(b) **Conditions:** The following conditions apply:

(1) The Employer must receive a copy of the order or call to active duty and may rely on the order or call to determine the period that the Participant has been ordered or called to duty.

(2) Eligibility for a Qualified Reservist Distribution is not affected if the order or call is for 180 days or more or is indefinite, but the actual period of active duty is less than 180 days or is changed otherwise from the order or call.

(3) If the original order is less than 180 days, then no Qualified Reservist Distribution is allowed. However, if subsequent calls or orders increase the total days of active duty to 180 or more, then a Qualified Reservist Distribution will be allowed.

(c) **Amount:** The amount a Participant may be reimbursed from the Health Flexible Spending Account is the amount contributed by the Participant to the Health Flexible Spending Account as of the date of the distribution request, less any reimbursements received as of the date of the distribution request.

(d) **Procedure.** The Employer must specify a process for requesting the distribution. The Employer may limit the number of distributions processed for a Participant to 12 per Plan Year. The distribution request must be made on or after the call or order and before the last day of the Plan Year. The QRD shall be paid within a reasonable time but in no event more than 60 days after the date of the request.

(e) **Claims.** Claims incurred prior to the date of the request of the distribution shall be paid as any other claim. Claims incurred after the date of the distribution shall not be paid and the Participant's right to submit a claim shall be terminated as of the date of the distribution request.

ARTICLE VII
DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

7.1 ESTABLISHMENT OF ACCOUNT

This Dependent Care Flexible Spending Account is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Dependent Care Flexible Spending Account.

7.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

(a) **"Dependent Care Flexible Spending Account"** means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which

Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.

(b) **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.

(c) **"Employment-Related Dependent Care Expenses"** means the amounts paid for expenses of a Participant for those services which if paid by the Participant would be considered employment related expenses under Code Section 21(b)(2). Generally, they shall include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Qualifying Dependents with respect to such Participant. Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:

(1) If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment-Related Dependent Care Expenses only if incurred for a Qualifying Dependent as defined in Section 7.2(d)(1) (or deemed to be, as described in Section 7.2(d)(1) pursuant to Section 7.2(d)(3)), or for a Qualifying Dependent as defined in Section 7.2(d)(2) (or deemed to be, as described in Section 7.2(d)(2) pursuant to Section 7.2(d)(3)) who regularly spends at least 8 hours per day in the Participant's household;

(2) If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than 6 individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and

(3) Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid or incurred to a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.

(d) **"Qualifying Dependent"** means, for Dependent Care Flexible Spending Account purposes,

(1) a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;

(2) a Dependent or the Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or

(3) a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).

(e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Flexible Spending Account.

7.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

The Administrator shall establish a Dependent Care Flexible Spending Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Flexible Spending Account benefits.

7.4 INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Dependent Care Flexible Spending Account pursuant to elections made under Article V hereof.

7.5 DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

7.6 ALLOWABLE DEPENDENT CARE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program, and to the extent of the amount contained in the Participant's Dependent Care Flexible Spending Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

7.8 FORFEITURES

The amount in a Participant's Dependent Care Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

7.9 LIMITATION ON PAYMENTS

(a) **Plan limits.** Notwithstanding any provision contained in this Dependent Care Flexible Spending Account to the contrary, the following limits apply in addition to the Code limits. The minimum amount that may be allocated

to the Dependent Care Flexible Spending Account by a Participant in or on account of any Plan Year is $60.00.

(b) **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Dependent Care Flexible Spending Account in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or $5,000 ($2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

7.10 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Dependent Care Flexible Spending Account that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Section 129(d).

(b) **25% test for shareholders.** It is the intent of this Dependent Care Flexible Spending Account that not more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of the stock or of the capital or profits interest in the Employer.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or benefits, it shall be done in the following manner. First, the Benefit Options designated for the Dependent Care Flexible Spending Account by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Dependent Care Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive benefits under this Dependent Care Flexible Spending Account. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

7.12 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS

The Administrator shall direct the payment of all such Dependent Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred during the Plan Year and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

(a) The Dependent or Dependents for whom the services were performed;

(b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;

(c) The relationship, if any, of the person performing the services to the Participant;

(d) If the services are being performed by a child of the Participant, the age of the child;

(e) A statement as to where the services were performed;

(f) If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;

(g) If the services were being performed in a day care center, a statement:

(1) that the day care center complies with all applicable laws and regulations of the state of residence,

(2) that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and

(3) of the amount of fee paid to the provider.

(h) If the Participant is married, a statement containing the following:

(1) the Spouse's salary or wages if he or she is employed, or

(2) if the Participant's Spouse is not employed, that

(i) he or she is incapacitated, or

(ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attended such institution.

(i) **Grace Period.** Notwithstanding anything in this Section to the contrary, Employment-Related Dependent Care Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.

(j) **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator.

7.13 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Employment-Related Dependent Care Expenses, subject to the following terms:

(a) **Card only for dependent care expenses.** Each Participant issued a card shall certify that such card shall only be used for Employment-Related Dependent Care Expenses. The Participant shall also certify that any Employment-Related Dependent Care Expense paid with the card has not already been reimbursed by any other plan covering dependent care benefits and that the Participant will not seek reimbursement from any other plan covering dependent care benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Dependent Care Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Dependent Care Flexible Spending Account.

(c) **Only available for use with certain service providers.** The cards shall only be accepted by such service providers as have been approved by the Administrator. The cards shall only be used for Employment-Related Dependent Care Expenses from these providers.

(d) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(e) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as an Employment-Related Dependent Care Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

(1) Repayment of the improper amount by the Participant;

(2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;

(3) Claims substitution or offset of future claims until the amount is repaid; and

(4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

ARTICLE VIII
ERISA PROVISIONS

8.1 CLAIM FOR BENEFITS

(a) **Insurance claims.** Any claim for benefits underwritten by the self-funded plan shall be made to the Employer. If the Employer denies any claim, the Participant or beneficiary shall follow the Employer's claims review procedure.

(b) **Dependent Care Flexible Spending Account claims.** Any claim for Dependent Care Flexible Spending Account Benefits shall be made to the Administrator. For the Dependent Care Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. If the Administrator denies a claim, the Administrator may provide notice to the Participant or beneficiary, in writing, within 90 days after the claim is filed unless special circumstances require an extension of time for processing the claim. The notice of a denial of a claim shall be written in a manner calculated to be understood by the claimant and shall set forth:

(1) specific references to the pertinent Plan provisions on which the denial is based;

(2) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such information is necessary; and

(3) an explanation of the Plan's claim procedure.

(c) **Appeal.** Within 60 days after receipt of the above material, the claimant shall have a reasonable opportunity to appeal the claim denial to the Administrator for a full and fair review. The claimant or his duly authorized representative may:

(1) request a review upon written notice to the Administrator;

(2) review pertinent documents; and

(3) submit issues and comments in writing.

(d) **Review of appeal.** A decision on the review by the Administrator will be made not later than 60 days after receipt of a request for review, unless special circumstances require an extension of time for processing (such as the need to hold a hearing), in which event a decision should be rendered as soon as possible, but in no event later than 120 days after such receipt. The decision of

the Administrator shall be written and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based.

(e) **Health FSA claims.** If a Participant fails to submit a claim under the Health Flexible Spending Account within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. If a Participant terminates employment during the Plan Year, claims for the reimbursement must be submitted within 90 days after termination of employment. Once a claim is submitted, the following timetable for claims and rules below apply:

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days
Insufficient information on the Claim:	
Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Plan Administrator will provide written or electronic notification of any claim denial. The notice will state:

(1) The specific reason or reasons for the denial.

(2) Reference to the specific Plan provisions on which the denial was based.

(3) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary.

(4) A description of the Plan's review procedures and the time limits applicable to such procedures. This will include a statement of the right to bring a civil action under Section 502 of ERISA following a denial on review.

(5) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

(6) If the denial was based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided free of charge. If this is not practical, a statement will be included that such a rule, guideline, protocol, or criterion was relied upon in making the denial and a copy will be provided free of charge to the claimant upon request.

When the Participant receives a denial, the Participant shall have 180 days following receipt of the notification in which to appeal the decision. The

Participant may submit written comments, documents, records, and other information relating to the Claim. If the Participant requests, the Participant shall be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the Plan. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a Claim if it:

(1) was relied upon in making the claim determination;

(2) was submitted, considered, or generated in the course of making the claim determination, without regard to whether it was relied upon in making the claim determination;

(3) demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that claim determinations are made in accordance with Plan documents and Plan provisions have been applied consistently with respect to all claimants; or

(4) constituted a statement of policy or guidance with respect to the Plan concerning the denied claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the Claim, without regard to whether such information was submitted or considered in the initial claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the Plan who is neither the individual who made the adverse determination nor a subordinate of that individual.

(f) **Forfeitures.** Any balance remaining in the Participant's Dependent Care Flexible Spending Account or Health Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a claim for such Plan Year, in writing, which has been denied or is pending; in which event the amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus.

8.2 APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan; nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan.

8.3 NAMED FIDUCIARY

The Administrator shall be the named fiduciary pursuant to ERISA Section 402 and shall be responsible for the management and control of the operation and administration of the Plan.

8.4 GENERAL FIDUCIARY RESPONSIBILITIES

The Administrator and any other fiduciary under ERISA shall discharge their duties with respect to this Plan solely in the interest of the Participants and their beneficiaries and

(a) for the exclusive purpose of providing benefits to Participants and their beneficiaries and defraying reasonable expenses of administering the Plan;

(b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and

(c) in accordance with the documents and instruments governing the Plan insofar as such documents and instruments are consistent with ERISA.

8.5 NONASSIGNABILITY OF RIGHTS

The right of any Participant to receive any reimbursement under the Plan shall not be alienable by the Participant by assignment or any other method, and shall not be subject to the rights of creditors, and any attempt to cause such right to be so subjected shall not be recognized, except to such extent as may be required by law.

ARTICLE IX
ADMINISTRATION

9.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. An Administrator may resign by delivering a written resignation to the Employer or be removed by the Employer by delivery of written notice of removal, to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Act, the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Administrator may establish procedures, correct any defect, supply any information, or reconciles any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

(a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;

(b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;

(c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;

(d) To reject elections or to limit contributions or benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;

(e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;

(f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;

(g) To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such shall be paid if the Administrator decides in its discretion that the applicant is entitled to them. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;

(h) To establish and communicate procedures to determine whether a medical child support order is qualified under ERISA Section 609; and

(i) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

9.2 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

9.3 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

9.4 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

9.5 INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE X
AMENDMENT OR TERMINATION OF PLAN

10.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

10.2 TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Contract shall be paid in accordance with the terms of the Contract.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such fund shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

ARTICLE XI
MISCELLANEOUS

11.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.11.

11.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

11.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

11.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

11.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

11.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

11.7 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

11.8 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.9 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit Option, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.10 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of Michigan.

11.11 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

11.12 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

11.13 CONTINUATION OF COVERAGE (COBRA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in Code Section 4980B, and related regulations. This Section shall only apply if the Employer employs at least twenty (20) employees on more than 50% of its typical business days in the previous calendar year.

11.14 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

11.15 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

11.16 UNIFORM SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

11.17 COMPLIANCE WITH HIPAA PRIVACY STANDARDS

(a) **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.

(b) **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.

(c) **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care. Genetic information will not be used or disclosed for underwriting purposes.

(d) **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

(1) An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.

(2) In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy officer. The privacy officer shall take appropriate action, including:

(i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;

(ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;

(iii) mitigation of any harm caused by the breach, to the extent practicable; and

(iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

(e) **Certification.** The Employer must provide certification to the Plan that it agrees to:

(1) Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;

(2) Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;

(3) Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;

(4) Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;

(5) Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;

(6) Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;

(7) Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;

(8) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;

(9) If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and

(10) Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

11.18 COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

(a) **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the

confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.

(b) **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.

(c) **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Section 11.17.

11.19 MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act and ERISA Section 712.

11.20 GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

11.21 WOMEN'S HEALTH AND CANCER RIGHTS ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

11.22 NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

IN WITNESS WHEREOF, this Plan document is hereby executed this _____ day of _____.

CITY OF OWOSSO

_____ By _____
EMPLOYER

_____
WITNESSES AS TO EMPLOYER

RESOLUTION ADOPTING THE CITY OF OWOSSO FLEXIBLE SPENDING PLAN

WHEREAS, the City of Owosso, a Michigan municipal corporation, provides a cafeteria plan for its employees;

WHEREAS, under the tax laws of the United States of America the city council must adopt a resolution for the calendar year effective January 1, 2016 and subsequent years;

NOW THEREFORE, the city council of the City of Owosso, Michigan (the Employer) resolves:

First, that the form of Cafeteria Plan including a Dependent Care Flexible Spending Account and Health Flexible Spending Account effective January 1, 2016 presented and attached is approved and adopted and that the duly authorized agents of the city are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

Second, that the Administrator is instructed to take such actions that they deem necessary and proper to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan.

Third, that the duly authorized agent of the Employer (the human resources director) shall act as soon as possible to notify city employees of the Cafeteria Plan's adoption by delivering to each employee a copy of the attached *Summary Plan Description*, which is hereby approved.

Fourth, the undersigned certifies that attached as Exhibits A and B, respectively, are true copies of the *City of Owosso Flexible Spending Plan* and the *Summary Plan Description* approved and adopted in this resolution.

Fifth, that all prior resolutions and documents for the *City of Owosso Flexible Spending Plan* are rescinded as of January 1, 2016.

Passed and approved by the city council of the City of Owosso, Michigan this _____ day of _____ 20_____.

Principal:_____

Date: _____

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

MEMORANDUM

DATE: February 9, 2016

TO: City Council

FROM: Jessica B. Unangst, Director of HR & Administrative Services

RE: City of Owosso ICMA-RC Restatement

Per the attached documents, our 401 provider, ICMA-RC, has a six-year review schedule for the plan documents that they make available to their clients. They submitted their updated plan documents for review and approval by the IRS in 2012 and received favorable opinion letters last year. The updated documents incorporate amendments for legislative and regulatory changes enacted since the prior restatement in 2006. We utilize the *ICMA-RC Governmental Money Purchase Plan and Trust Basic Document*, which requires us to execute a new adoption agreement by April 30, 2016. I recommend approval and authorization of the ICMA-RC restatement.

RESOLUTION NO.
APPROVING THE ICMA-RC RESTATEMENT

WHEREAS, the City of Owosso has employees rendering valuable services; and

WHEREAS, the City of Owosso has established a qualified retirement plan for such employees that serves the interest of the city by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the City of Owosso has determined that the continuance of the qualified retirement plan will serve these objectives; and

NOW THEREFORE BE IT RESOLVED that the City of Owosso hereby amends and restates the qualified retirement plan (the "Plan") in the form of The ICMA Retirement Corporation Governmental Money Purchase Plan & Trust.

BE IT FURTHER RESOLVED that the assets of the Plan shall be held in trust, with the City of Owosso serving as trustee ("Trustee"), for the exclusive benefit of Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in VantageTrust shall be held for the further exclusive benefit of the Plan participants and their beneficiaries;

BE IT FURTHER RESOLVED that the employer hereby agrees to serve as Trustee under the Plan.

BE IT FURTHER RESOLVED that the City Manager shall continue to be the coordinator for the Plan; shall receive reports, notices, etc., from the ICMA Retirement Corporation or the Vantage Trust; and shall cast, on behalf of the City, any required votes under the Vantage Trust; and may delegate any administrative duties relating to the Plan to appropriate departments; and

BE IT FURTHER RESOLVED that the City of Owosso hereby authorizes the City Manager to execute all necessary agreements with the ICMA Retirement Corporation incidental to the administration of the Plan.

ICMA-RC
BUILDING PUBLIC SECTOR
RETIREMENT SECURITY

September 2015

Re: 401 Plan Document Adoption — Action Required by April 30, 2016

Dear Plan Sponsor:

ICMA-RC is pleased to announce that our 401 plan document has been reviewed and approved by the Internal Revenue Service (IRS) and is available online for your review and adoption. A summary of the document and the adoption process is provided below and additional details are available within EZLink (**www.icmarc.org/ezlink**).

Six-Year IRS Review Schedule

The IRS has a six-year review schedule for the type of 401 plan documents ICMA-RC makes available. Following the IRS schedule, we submitted our updated plan documents for review and approval in 2012 and received favorable opinion letters last year. The documents incorporate amendments for legislative and regulatory changes enacted since the prior restatement in 2006 and are effective as of 2012.

Plan sponsors using the ICMA-RC document must execute a new adoption agreement by April 30, 2016. Taking action to adopt the restated plan document will ensure your plan is updated in accordance with current IRS regulations.

Plan Document Adoption — New Adoption Agreement Needed

In the past, we have utilized a negative election adoption process, in an effort to make the plan document adoption process as easy as possible. This time around, per instructions from the IRS, each plan sponsor using the ICMA-RC plan document will be required to execute a new adoption agreement by April 30, 2016. We have partially pre-populated the agreement for your plan, and you will need to fill in the blanks and execute the agreement.

Online Access to Plan Documents via EZLink

Everything you need is available in EZLink. You may access ICMA-RC's plan documents, adoption agreement, and related materials online by following these steps:

1. Log in to EZLink at **www.icmarc.org/ezlink**.
2. Under the My Plan tab, select the **View/Request Publications** link on the left.
3. Click the **Plan Documents** button on the right, in the Plan Document Materials box.

(Continued)

ICMA RETIREMENT CORPORATION | 777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
TEL: 202-962-4600 | FAX: 202-962-4601 | TOLL FREE: 800-326-7272 | WWW.ICMARC.ORG

Please review the materials to ensure you are familiar with all of your options. **If your plan uses the ICMA-RC document, be sure to execute the adoption agreement prior to April 30, 2016.**

Individually-Designed Plan Documents

If your plan uses an individually-designed plan document, please check with your plan's legal counsel to ensure your document is updated in accordance with IRS regulations. You may find value in reviewing the ICMA-RC documents, as the information may be helpful as you consider future amendments to your individually-designed plan document. Now may also be a good time to consider adopting ICMA-RC's model plan documents.

Please contact your ICMA-RC Plan Sponsor Services team if you have any questions about the plan document adoption process and the action required on your part.

Thank you for allowing us to serve you.

Sincerely,

Renee Briggs

Renee Briggs
Vice President, Client Services

ICMA-RC
BUILDING PUBLIC SECTOR
RETIREMENT SECURITY

ADOPTION PACKAGE

401 MONEY PURCHASE PLAN DOCUMENT RESTATEMENT

TABLE OF CONTENTS

INTRODUCTION — THE PLAN DOCUMENT RESTATEMENT PROCESS

This packet provides the information and instructions you need to adopt the amended and restated *ICMA-RC Governmental Money Purchase Plan & Trust Document.* **Plan sponsors using the ICMA-RC document must execute a new adoption agreement by April 30, 2016.** Please submit your adoption agreement as soon as possible and no later than April 15, 2016. This will allow sufficient time for ICMA-RC to process your adoption agreement elections and return the executed document to you before the April 30, 2016 deadline. Taking action to adopt the restated plan document will ensure your plan is updated in accordance with current IRS regulations.

Six-Year IRS Review Schedule

The IRS has a six-year review schedule for the type of 401 plan documents ICMA-RC makes available to its clients. Following the IRS schedule, we submitted our updated plan documents for review and approval in 2012 and received favorable opinion letters last year. The documents incorporate amendments for legislative and regulatory changes enacted since the prior restatement in 2006.

Plan Document Adoption — New Adoption Agreement Needed

In the past, we have utilized a negative election adoption process in an effort to make the plan document adoption process as easy as possible. This time around, per instructions from the IRS, each plan sponsor using the ICMA-RC plan document is required to execute a new adoption agreement by April 30, 2016. To assist you with the process of completing the adoption agreement, most of the information for your plan has already been pre-populated. You simply need to review the information and fill in the blanks.

Action Required by April 30, 2016

Action is required on your part if your plan uses the *ICMA-RC Governmental Money Purchase Plan and Trust Basic Document.* Please follow the instructions on the next page to submit your plan's adoption agreement to ICMA-RC. If your plan uses an individually-designed plan document, please review the below information.

Individually-Designed Plan Documents

If your plan uses an individually-designed plan document, please check with your plan's legal counsel to ensure your document is updated in accordance with IRS regulations. You may find value in reviewing the ICMA-RC documents, as the information may be helpful as you consider future amendments to your individually-designed plan document. Now may also be a good time to consider adopting ICMA-RC's model plan documents.

Need Assistance?

We are here to help. Please contact your ICMA-RC Plan Sponsor Services team if you have any questions about the plan document adoption process and the action required on your part.

INSTRUCTIONS FOR PLAN SPONSORS USING THE ICMA-RC PLAN DOCUMENT

We want to make the plan document adoption process as easy as possible. Please review the instructions below and let us know if you have any questions. Taking action to adopt the restated plan document by April 30, 2016 will ensure your plan is updated in accordance with current IRS regulations. Please submit the new adoption agreement for your plan as soon as possible and no later than April 15, 2016. This will allow sufficient time for ICMA-RC to process your adoption agreement elections and return the executed document to you before the April 30, 2016 deadline.

Instructions

STEP 1: Review the information in this packet to familiarize yourself with the differences between the old document and the new document.

STEP 2: Determine whether any formal action is required by your legislative body and/or plan administrative committee to adopt the restated plan document. If formal action is required, please refer to the suggested affirmative statement or suggested resolution (as applicable) on pages 6 and 7 respectively.

STEP 3: Review our current ***Governmental Money Purchase Plan & Trust*** document and save it for your records.

STEP 4: Complete the *Governmental Money Purchase Plan & Trust Adoption Agreement.*

- Click the "Pickup Plan Adoption Agreement" button to access your agreement, which has been partially pre-populated to reflect the way ICMA-RC currently administers your plan. *(Available on the Plan Documents page in EZLink: My Plan → View/Request Publications → Plan Documents)*
- Complete the adoption agreement electronically by filling in the blanks in each section of the document and **save the document to your computer.**
  - Send the document to your organization's primary plan contact or plan coordinator so he or she can review the document before you submit it to ICMA-RC.
  - Instead of signing a hard copy of the document, please type the name of the plan representative authorized to execute the adoption agreement into the "By" and "Print Name" lines on page 9 of the electronic version of the document. His or her title should also be provided and the name of another plan representative's name should be input on the "Attest" line.

STEP 5: Submit the completed document and any applicable attachments to ICMA-RC using the "Drop Off Plan Adoption Agreement" button on the Plan Documents page in EZLink.

STEP 6: ICMA-RC will review the document and contact you if we have any questions before we sign it and return the executed document to you. When you receive the executed document from ICMA-RC, you should **save it for your records.**

Questions

If you have any questions regarding the adoption process or your plan in general, please contact ICMA-RC's Plan Sponsor Services team at 800-326-7272.

Please retain for your records any documents you return to ICMA-RC.
These documents will be part of your formal plan document.

OVERVIEW/Q&A

Why is ICMA-RC providing updated plan documents?

ICMA-RC received a favorable opinion letter from the IRS on its *Governmental Money Purchase Plan & Trust* document in 2014, and plan sponsors who use the ICMA-RC document are required to adopt the restated document by April 30, 2016.

What action is required?

Plan sponsors using the ICMA-RC document must execute a new adoption agreement by April 30, 2016. Follow the step-by-step instructions shown on page 3 to submit your adoption agreement to ICMA-RC. Please submit the completed document no later than April 15, 2016 to allow sufficient time for ICMA-RC to process your adoption agreement elections and return the executed document to you before the April 30, 2016 deadline.

What has changed?

Not much. The new documents incorporate amendments for legislative and regulatory changes enacted since the prior restatement in 2006 and are effective as of 2007. The old document included separate amendments for ***post-EGTRRA legislative and regulatory changes*** and for the ***Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART)***. The provisions of these amendments are now part of the standard document.

One change that will interest some plan sponsors is that our documents now allow employers to establish stand-alone Final Pay plans. See below for additional information.

Can we make changes to certain provisions of our plan?

Yes. In fact, now is a great time to review your plan provisions and consider making changes. When you complete the adoption agreement, you may make changes by simply selecting among the available elections for each provision in the space provided.

Time Frame

We encourage you to complete and submit the new adoption agreement for your plan as soon as possible. **Please submit your adoption agreement as soon as possible and no later than April 15, 2016.** This will allow sufficient time for ICMA-RC to process your adoption agreement elections and return the executed document to you before the April 30, 2016 deadline.

Failure to execute an adoption agreement prior to the deadline may cause the plan to no longer be operated in accordance with IRS regulations and will place the plan at risk of losing its qualified status.

How do I know what to input in the adoption agreement?

We suggest that you start by reviewing the adoption agreement that was used to establish your plan with ICMA-RC. If you are unable to locate the document, please contact ICMA-RC and we will send you the most recent adoption agreement we have on record. Your organization's Plan Coordinator may also be able to provide you with the document or the information needed to execute the new adoption agreement.

ADDITIONAL INFORMATION

Separate Contribution Formulas for Different Eligibility Groups

The adoption agreement only has space for you to enter a single contribution formula. If your plan applies different formulas to different eligibility groups within the plan, you must submit an attachment with your adoption agreement that specifies the contribution formulas for each eligibility group within the plan.

Final Pay Contributions

Contributions to the plan of accrued unpaid leave that would otherwise be payable to an employee following his or her separation from service are called "Final Pay" contributions. The accrued unpaid leave must be bona fide vacation and/or sick leave.

Adding Final Pay and/or Annual Accrued Leave Contributions

If you wish to make Final Pay and/or Annual Accrued leave contributions, you should enter your desired elections in sections XIII and XIV of the adoption agreement.

Please keep in mind that in order to be "picked up" (i.e., contributed on a pre-tax basis), all employee elections with respect to 401(a) plan contributions, including Final Pay and/or Accrued Leave contributions, must be made during the enrollment period when the employee first becomes eligible to participate in the plan (*or any 401(a) plan of the employer, including a defined benefit plan, if earlier*). Employees do not have the ability to discontinue or change the amount of their contributions after becoming participants (i.e., the elections are irrevocable).

When you add Final Pay and/or Accrued Leave contributions to your plan, the contributions can be set up in either of the following ways:

- **Employer Contribution** — With this method, the contributions are made for all participants in the plan or for all participants within the specified eligibility group.
- **Employee Designated Contribution** — With this method, employees are provided with a one-time opportunity when they first become eligible to participate in the plan to make an election to contribute a certain percentage of their Final Pay and/or Accrued Leave to the plan. Please note current plan participants will not have an opportunity to make an election if you amend your plan to allow these types of contributions.

Stand-Alone Final Pay Plans

During the restatement process, the IRS informed us that they had reversed course on the permissibility of having plans funded solely by contributions of accrued unpaid leave following an employee's separation from service (i.e., stand-alone Final Pay plans). Though the IRS change does not directly impact your existing plan with ICMA-RC, employers may use the new ICMA-RC documents to establish new stand-alone Final Pay plans. As such, our adoption agreement no longer contains language that requires ongoing contributions and no longer expressly prohibits employers from establishing eligibility requirements in such a way that employees become participants only in the plan year in which they terminate employment.

Questions

ICMA-RC is here to help. If you have any questions regarding the adoption process or your plan in general, please contact Plan Sponsor Services at 800-326-7272.

SUGGESTED AFFIRMATIVE STATEMENT

Plan Number: 10 ___ ___ ___ ___

Name of Employer: _____ **State:** _____

As a duly authorized agent of the above named Employer, I hereby

AMEND AND RESTATE the money purchase plan (the "Plan") in the form of: (select one)

☐ The ICMA Retirement Corporation Governmental Money Purchase Plan & Trust

OR

☐ The Plan and Trust and any associated amendments provided by the Employer (executed copies attached hereto)[1]

SPECIFY that the assets of the Plan shall be held in trust, with the Employer serving as trustee ("Trustee"), for the exclusive benefit of the Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in VantageTrust shall be held for the exclusive benefit of the Plan participants and their beneficiaries;

AND AFFIRM that the Employer hereby agrees to serve as Trustee under the Plan.

DATE: _____

_____
(Title of Designated Agent)

_____
(Signature)

[1] **If you are amending your own individually-designed plan document, this executed resolution should be returned to ICMA-RC as instructed below.**

Fax to:
202-962-4601
ATTN: NBS Analyst

OR

Mail to:
ICMA-RC
ATTN: NBS Analyst
777 North Capitol Street, NE
Washington, DC 20002-4240

SUGGESTED RESOLUTION

Plan Number: 10 ____ ____ ____ ____

Name of Employer: _____ **State:** _____

Resolution of the above named Employer ("Employer")

WHEREAS, the Employer has employees rendering valuable services; and

WHEREAS, the Employer has established a qualified retirement plan for such employees that serves the interest of the Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that the continuance of the qualified retirement plan will serve these objectives; and

NOW THEREFORE BE IT RESOLVED that the Employer hereby amends and restates the qualified retirement plan (the "Plan") in the form of: (select one)

☐ The ICMA Retirement Corporation Governmental Money Purchase Plan & Trust

OR

☐ The Plan and Trust and any associated amendments provided by the Employer (executed copies attached hereto)[1]

BE IT FURTHER RESOLVED that the assets of the Plan shall be held in trust, with the Employer serving as trustee ("Trustee"), for the exclusive benefit of Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in VantageTrust shall be held for the further exclusive benefit of the Plan participants and their beneficiaries;

BE IT FURTHER RESOLVED that the employer hereby agrees to serve as Trustee under the Plan.

I, _____, Clerk of the (City, County, etc.) _____, do hereby certify that the foregoing resolution, proposed by (Council Member, Trustee, etc.) _____, was duly passed and adopted in the (Council, Board, etc.) _____ of the (City, County, etc.) of _____ at a regular meeting thereof assembled this _____ day of _____, 20_____, by the following vote:

AYES:

NAYS:

ABSENT:

(Seal)

_____
CLERK OF THE (CITY, COUNTY, ETC.)

[1] **If you are amending your own individually-designed plan document, this executed resolution should be returned to ICMA-RC as instructed below.**

Fax to:
202-962-4601
ATTN: NBS Analyst

OR

Mail to:
ICMA-RC
ATTN: NBS Analyst
777 North Capitol Street, NE
Washington, DC 20002-4240

PLAN SPONSORS USING INDIVIDUALLY DESIGNED PLAN DOCUMENTS

If you currently use your own individually designed plan, please check with your plan's legal counsel to ensure your document is up to date.

Are you interested in adopting ICMA-RC's standard plan document?

If you decide that you no longer want to maintain an individually designed plan document, you may adopt ICMA-RC's Governmental Money Purchase Plan & Trust document by following the instructions on page 3.

Adopting ICMA-RC's plan document provides the following additional advantages:

- ICMA-RC's 401 plan document is generally designed to provide employers and participants with as much flexibility as possible within IRS guidelines.
- Adopting ICMA-RC's 401 plan document relieves you from the burden and cost of continually reviewing and revising your plan document in response to changes in the Internal Revenue Code (IRC) and related regulations. ICMA-RC maintains the document in compliance with all IRC and regulatory requirements.
- ICMA-RC seeks favorable private letter rulings respecting the plan's eligibility status from the IRS for ICMA-RC's 401 plan documents. This is important because a plan deemed ineligible by the IRS could result in a significant tax liability to all plan participants.

Instructions

Follow the Instructions for Plan Sponsors Using the ICMA-RC Plan Document on page 3 to adopt the ICMA-RC plan document. In addition to submitting an adoption agreement for the plan, you will need to submit an affirmative statement or resolution. Suggested templates are provided for your convenience on pages 6 and 7, respectively.

Please retain for your records any documents you return to ICMA-RC. These documents will be part of your formal plan document.

ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT

ICMA RC

BUILDING PUBLIC SECTOR
RETIREMENT SECURITY

ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT

Plan Number 106249

e Employer hereby establishes a Money Purchase Plan and Trust to be known as CITY OF OWOSSO (the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

is Plan is an amendment and restatement of an existing de ned contribution money purchase plan.

☑ Yes ☐ No

If yes, please specify the name of the de ned contribution money purchase plan which this Plan hereby amends and restates:

CITY OF OWOSSO

I. Employer: CITY OF OWOSSO

II. E ective Dates

☑ 1. **E ective Date of Restatement.** If this document is a restatement of an existing plan, the e ective date of the Plan shall be January 1, 2007 unless an alternate e ective date is hereby speci ed: _____

(Note: An alternate e ective date can be no earlier than January 1, 2007.)

☐ 2. **E ective Date of New Plan.** If this is a new Plan, the e ective date of the Plan shall be the rst day of the Plan Year during which the Employer adopts the Plan, unless an alternate E ective Date is hereby speci ed:

_____

3. **Special E ective Dates.** Please note here any elections in the Adoption Agreement with an e ective date that is di erent from that noted in 1. or 2. above.

(Note provision and e ective date.)

III. **Plan Year** will mean:

☐ e twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)

☐ e twelve (12) consecutive month period commencing on _____ and each anniversary thereof.

IV. **Normal Retirement Age shall be age** 65.0 **(not to exceed age 65).**
Important Note to Employers: Normal Retirement Age is signi cant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also de nes the latest date at which a Participant must have a fully vested right to his/her Account. ere are IRS rules that limit the age that may be speci ed as the Plan's Normal Retirement Age. e Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Whether an age between 55 and 62 satis es this requirement depends on the facts and circumstances, but an Employer's good

Whether an age between 55 and 62 satis es this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are quali ed public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. e following group or groups of Employees are eligible to participate in the Plan:

___ All Employees
___ All Full Time Employees
___ Salaried Employees
___ Non union Employees
___ Management Employees
___ Public Safety Employees
___ General Employees
___ Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Speci c positions are acceptable.) _____

e group speci ed must correspond to a group of the same designation that is de ned in the statutes, ordinances, rules, regulations, personnel manuals or other material in e ect in the state or locality of the Employer. e eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. e Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. e required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) N/A .

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classi cation.

3. A minimum age requirement is hereby speci ed for eligibility to participate. e minimum age requirement is N/A (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. **e Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is <u>not</u> selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

❒ A. <u>Employer Contributions.</u> e Employer shall contribute on behalf of each Participant _____% of Earnings or $ _____ for the Plan Year (subject to the limitations of Article V of the Plan).
Mandatory Participant Contributions
❒ are required ❒ are not required
to be eligible for this Employer Contribution.

❒ B. <u>Mandatory Participant Contributions for Plan Participation.</u>

<u>Required Mandatory Contributions</u>. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the speci ed amounts designated in items (i) through (iii) of the Contribution Schedule below:

❒ Yes ❒ No

Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the speci ed amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

❒ Yes ❒ No

Contribution Schedule.

(i) _____% of Earnings,
(ii) $ _____ , or
(iii) a whole percentage of Earnings between the range of _____ *(insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%))*, as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". e Employer hereby elects to "pick up" the Mandatory Participant Contributions[1] (pick up is required if Option A is not selected).

☑ Yes ❒ No ***("Yes" is the default provision under the Plan if no selection is made.)***

❒ C. Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of _____days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the rst of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. e Employer may also elect to contribute as follows:

❒ A. Fixed Employer Match of Voluntary After-Tax Participant Contributions. e Employer shall contribute on behalf of each Participant ___% of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed ____% of Earnings or $ _____. Under this option, there is a single, xed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.

❒ B. Variable Employer Match of Voluntary After-Tax Participant Contributions. e Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding ____% of Earnings or $ _____);

1 *Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).*

PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate ____% of Earnings or $ _____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed $ _____ or ____% of Earnings, whichever is ___ more or ___ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

❒ Yes ❒ No ***("No" is the default provision under the Plan if no selection is made.)***

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or scal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or scal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

BI-WEEKLY

6. In the case of a Participant performing quali ed military service (as de ned in Code section 414(u)) with respect to the Employer:

A. Plan contributions will be made based on di erential wage payments:

❒ Yes ❒ No ***("Yes" is the default provision under the Plan if no selection is made.)***

If yes is selected, this is e ective beginning January 1, 2009 unless another later e ective date is lled in here:

_____

B. Participants who die or become disabled will receive Plan contributions with respect to such service:

❒ Yes ❒ No ***("No" is the default provision under the Plan if no selection is made.)***

If yes is selected, this is e ective for participants who died or became disabled while performing quali ed military service on or after January 1, 2007, unless another later e ective date is lled in here:

_____

VII. EARNINGS

Earnings, as de ned under Section 2.09 of the Plan, shall include:

1. Overtime

   ❒ Yes ❒ No

2. Bonuses

   ❒ Yes ❒ No

3. Other Pay (speci cally describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. e Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:

   ☑ Yes ❒ No ***("Yes" is the default provision under the Plan if no selection is made.)***

2. Direct rollovers by non-spouse bene ciaries are e ective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later e ective date in the space provided.

   ❒ E ective Date is _____.

   (Note: Plans must o er direct rollovers by non-spouse bene ciaries no later than plan years beginning after December 31, 2009.)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another quali ed plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another quali ed de ned contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.

❒ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)

2. e Limitation Year is the following 12 consecutive month period: _____

3. Unless the Employer elects a delayed e ective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007. _____

   (e e ective date listed cannot be later than 90 days after the close of the rst regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.)

X. VESTING PROVISIONS

e Employer hereby speci es the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

Period of Service Completed	Percent Vested
Zero	0 %
One	0 %
Two	50 %
ree	60 %
Four	70 %
Five	80 %
Six	90 %
Seven	100 %
Eight	100 %
Nine	100 %
Ten	100 %

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):

   ☐ Normal Retirement Age

   ☑ Age 70½ ***("70½" is the default provision under the Plan if no selection is made.)***

   ☐ Alternate age (after Normal Retirement Age): _____

   ☐ Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.

   ☐ Yes ☐ No ***("Yes" is the default provision under the plan if no selection is made.)***

3. Tax-free distributions of up to $3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety o cers are available under the Plan.

   ☐ Yes ☑ No ***("No" is the default provision under the Plan if no selection is made.)***

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.

   ☐ Yes ☑ No ***("No" is the default provision under the Plan if no selection is made.)***

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:

   ☑ Yes ☐ No ***("No" is the default provision under the Plan if no selection is made.)***

XII. SPOUSAL PROTECTION

e Plan will provide the following level of spousal protection (select one):

❒ 1. Participant Directed Election. e normal form of payment of bene ts under the Plan is a lump sum. e Participant can name any person(s) as the Bene ciary of the Plan, with no spousal consent required.

☑ 2. Bene ciary Spousal Consent Election (Article XII). e normal form of payment of bene ts under the Plan is a lump sum. Upon death, the surviving spouse is the Bene ciary, unless he or she consents to the Participant's naming another Bene ciary. (***"Bene ciary Spousal Consent Election" is the default provision under the Plan if no selection is made.)***

❒ 3. QJSA Election (Article XVII). e normal form of payment of bene ts under the Plan is a 50% quali ed joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

e Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

e following group of Employees shall be eligible for Final Pay Contributions:

❒ All Eligible Employees

❒ Other: _____

Final Pay shall be de ned as (select one):

❒ A. Accrued unpaid vacation

❒ B. Accrued unpaid sick leave

❒ C. Accrued unpaid vacation and sick leave

❒ D. Other *(insert de nition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona de vacation and/or sick leave)*:

_____

❒ 1. **Employer Final Pay Contribution.** e Employer shall contribute on behalf of each Participant _____ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

❒ 2. **Employee Designated Final Pay Contribution.** Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute ____ % (insert xed percentage of nal pay to be contributed) or up to _____% (insert maximum percentage of nal pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. **ACCRUED LEAVE CONTRIBUTIONS**

e Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

e following group of Employees shall be eligible for Accrued Leave Contributions:

❒ All Eligible Employees

❒ Other: _____

Accrued Leave shall be de ned as (select one):

❒ A. Accrued unpaid vacation

❒ B. Accrued unpaid sick leave

❒ C. Accrued unpaid vacation and sick leave

❒ D. Other (insert de nition of accrued leave that is bona de vacation and/or sick leave):

_____

❒ 1. **Employer Accrued Leave Contribution.** e Employer shall contribute as follows (choose one of the following options):

❒ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).

❒ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant _____% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

❒ 2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert xed percentage of accrued unpaid leave to be contributed) or up to ____ % (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XV. e Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

XVI. e Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. is ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

e Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. e Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become e ective within 30 days of notice of the amendment(s) unless the Employer noti es the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

XVII. e Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

e Employer hereby agrees to the provisions of the Plan and Trust.

XVIII. e Employer hereby acknowledges it understands that failure to properly ll out this Adoption Agreement may result in disquali cation of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is quali ed under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other o cial guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _____ day of _____, 20_____.

EMPLOYER

By: _____

Print Name: _____

Title: _____

Attest:_____

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: _____

Print Name: _____

Title: _____

Attest: _____

BUILDING PUBLIC SECTOR
RETIREMENT SECURITY

ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG

BRC000-214-21268-201405-W1303

WARRANT 518
February 9, 2016

Vendor	Description	Fund	Amount
William C. Brown, P.C.	Professional Services- January 12, 2016-February, 8, 2016	General	$ 8,947.72
Logicalis, Inc.	Networking engineering-January 2016	General	$ 5,488.00
		TOTAL	$14,435.72

CHECK REGISTER FOR CITY OF OWOSSO
CHECK DATE FROM 01/01/2016 - 01/31/2016

Check Date	Bank	Check	Vendor Name	Description	Amount
Bank 1 GENERAL FUND (POOLED CASH)					
01/07/2016	1	1011(A)	D & G EQUIPMENT INC	FLEET-PARTS	$ 110.05
01/07/2016	1	1012(A)	DORNBOS SIGN INC	INVENTORY-SIGNS	$ 998.45
01/07/2016	1	1013(A)	ETNA SUPPLY COMPANY	WATER INVENTORY ITEMS	$ 1,440.85
01/07/2016	1	1014(A)	FRONT LINE SERVICES, INC.	OFD-REPAIR WORK ON EQUIPMENT	$ 2,347.50
01/07/2016	1	1015(A)	GRAYMONT CAPITAL INC	WTP-SMALL PEBBLE QUICKLIME -47.4/TONS	$ 6,825.60
01/07/2016	1	1016(A)	MEMORIAL HEALTHCARE CENTER	OWI BLOOD DRAW	$ 17.75
01/07/2016	1	1017(A)	1ST CHOICE AUTO PARTS INC	AUTO PARTS	$ 562.38
01/07/2016	1	1018(A)	OFFICE SOURCE	DESK, CHAIR AND KEYBOARD FOR GLENN CHINAVARE/SUPPLIES	$ 1,279.55
01/07/2016	1	1019(A)	OFFICEMAX INC	CHAIR MAT	$ 159.99
01/07/2016	1	1020(A)	PVS TECHNOLOGIES, INC.	WWTP-FERRIC CHLORIDE	$ 3,406.24
01/07/2016	1	1021(A)	Q2A ASSOCIATES LLC	FINANCIAL SERVICES	$ 3,276.00
01/07/2016	1	1022(A)	REEVES WHEEL ALIGNMENT, INC	REPAIRS TO CITY VEHICLES	$ 2,413.54
01/07/2016	1	1023(A)	REHMANN ROBSON	FINAL PROGRESS BILLING-PE 6/30/15	$ 9,500.00
01/07/2016	1	1024(A)	S L H METALS INC	WTP-PARTS	$ 220.00
01/07/2016	1	1025(A)	SIGNATURE AUTO GROUP-OWOSSO MOTORS	OPD-#41-REPAIRS	$ 172.84
01/07/2016	1	1026(A)	ST JOHNS ANSWERING SERVICE INC	FEB 2016-ANSWERING SERVICE	$ 75.00
01/07/2016	1	1027(A)	USA BLUE BOOK	WWTP/WTP-SUPPLIES	$ 991.23
01/07/2016	1	1028(A)	VICTORY HEATING & COOLING	REPLACE WATER HEATER AT CITY HALL	$ 1,304.94
01/07/2016	1	1029(A)	W W WILLIAMS	WTP-INSPECTION/MAINTENANCE EMERGENCY POWER EQUIPMENT	$ 1,749.52
01/07/2016	1	1030(A)	MERLE E WEST II	PLUMBING/MECHANICAL INSPECTION SERVICES	$ 2,945.00
01/07/2016	1	126111	AFLAC	PAYROLL DEDUCTION-AFLAC PREMIUM	$ 437.78
01/07/2016	1	126112	H K ALLEN PAPER CO	OFD-SUPPLIES	$ 114.70
01/07/2016	1	126113	AMERICAN WATER WORKS ASSOCIATION	MEMBERSHIP-GLENN CHINAVARE	$ 1,698.00
01/07/2016	1	126114	CANNON ENGINEERING & EQUIPMENT CO	FLEET-ANNUAL INSPECTION OF #311 & #40	$ 860.00
01/07/2016	1	126115	CENTER FOR TECHNOLOGY & TRAINING	2016 CONSTRUCTING PEDESTRIAN FACILITIES-RANDY CHESNEY	$ 65.00
01/07/2016	1	126116	CENTRAL MICHIGAN FIRE INSPECTORS SOCIETY	NFPA FIRE INSPECTOR 1-MATT HARVEY	$ 750.00
01/07/2016	1	126117	CONSUMERS ENERGY	GAS/ELECTRIC USAGE	$ 34,619.87
01/07/2016	1	126118	JUDY ELAINE CRAIG	COURIER SERVICE	$ 180.00
01/07/2016	1	126119	D & D TRUCK & TRAILER PARTS	PARTS	$ 753.52
01/07/2016	1	126120	FLEIS & VANDENBRINK ENGINEERING INC	ENGINEERING FOR GOULD STREET RESURFACING	$ 7,450.00
01/07/2016	1	126121	H20 COMPLIANCE SERVICES INC	INSPECTION SERVICES FOR CROSS CONNECTION CONTROL PROGRAM	$ 698.75
01/07/2016	1	126122	HAMMOND FARMS	BRUSH GRINDING AT AIKEN RD SITE	$ 4,500.00
01/07/2016	1	126123	DAVID HAUT	WTP-PLASTIC WELDING KIT-REIMBURSEMENT	$ 52.99
01/07/2016	1	126124	HOME DEPOT CREDIT SERVICES	PUBLIC SAFETY-DISHWASHER/MICROWAVE-WWTP-SUPPLIES	$ 641.31
01/07/2016	1	126125	INDEPENDENT NEWSPAPERS	ADS FOR EMPLOYMENT	$ 139.40
01/07/2016	1	126126	KAR LABORATORIES INC	WASTEWATER ANALYSES	$ 195.00
01/07/2016	1	126127	LAMPHERE'S	OFD-DRAIN PLUGGED	$ 93.75
01/07/2016	1	126128	LERETA	REFUND/OVERPAYMENT	$ 474.14
01/07/2016	1	126129	MICHIGAN BUSINESS & PROFESSIONAL ASSOCIATION	JAN 16-COBRA ADMIN FEE	$ 50.00
01/07/2016	1	126130	MICHIGAN RURAL WATER ASSOCIATION	WATER/WASTEWATER PUMP REPAIR WORKSHOP-GLENN CHINAVARE	$ 125.00
01/07/2016	1	126131	MISDU	PAYROLL DEDUCTIONS	$ 1,827.81
01/07/2016	1	126132	NEOFUNDS BY NEOPOST	POSTAGE FUNDS FOR METER	$ 1,000.00
01/07/2016	1	126133	OSBURN ASSOCIATES INC	SIGNS AND U POSTS FOR SIGN REPLACEMENT PROGRAM	$ 6,935.00
01/07/2016	1	126134	OWOSSO BOLT & BRASS CO	WTP-PARTS	$ 1,153.39
01/07/2016	1	126135	OWOSSO CHARTER TWP TREAS & ROSZMAN FAMILY TRUST	OWOSSO DRAIN ASSESSMENT PER CONSERVATION AGREEMENT	$ 1,552.16
01/07/2016	1	126136	OWOSSO-WATER FUND	WATER/SEWER BILLS	$ 2,977.40

01/07/2016	1	126137	GARY L PALMER	ELECTRICAL INSPECTION SERVICES	$ 500.00
01/07/2016	1	126138	POLICE OFFICERS LABOR COUNCIL	UNION DUES-PAYROLL DEDUCTION	$ 854.25
01/07/2016	1	126139	POSTMASTER	POSTAGE FOR AV APPLICATIONS	$ 113.03
01/07/2016	1	126140	RADIO SHACK DEALER 22-H074	DPW-PHONE CHARGER FOR STAND BY PHONE	$ 19.99
01/07/2016	1	126141	SMITH JANITORIAL SUPPLY	SUPPLIES	$ 849.76
01/07/2016	1	126142	STECHSCHULTE GAS & OIL INC	FUEL-PE 12/31/15	$ 3,256.88
01/07/2016	1	126143	STO-COTE PRODUCTS INC	ICE RINK	$ 5,522.21
01/07/2016	1	126144	SUNGARD PUBLIC SECTOR INC	OSSI-MFR CLIENT CITATION LICENSE FEES/MAINTENANCE	$ 9,690.31
01/07/2016	1	126145	SUPPLYHOUSE.COM	2" LEAD FREE BRONZE RPZ	$ 869.90
01/07/2016	1	126146	VALLEY LUMBER	SUPPLIES/MATERIALS	$ 369.06
01/07/2016	1	126147	WASTE MANAGEMENT OF MICHIGAN INC	LANDFILL DISPOSAL CHARGES-12/16/15-12/31-15	$ 3,338.54
01/07/2016	1	126148	WILLOUGHBY PRESS	ASSESSING-PRINTING OF BULK RATE PERMIT ON ENVELOPES	$ 40.00
01/07/2016	1	126149	WIN'S ELECTRICAL SUPPLY OF OWOSSO	SUPPLIES	$ 220.21
01/21/2016	1	1055(E)	MUNICIPAL EMPLOYEES RETIREMENT SYSTEM	DEC 15-CONTRIBUTIONS FOR POLICE COMMAND	$ 9,074.73
01/22/2016	1	1031(A)	MICHAEL LEVERE ASH	SCHOOL LIAISON OFFICER-63 HRS	$ 1,152.90
01/22/2016	1	1032(A)	WILLIAM C BROWN, P C	PROFESSIONAL SERVICES	$ 10,123.36
01/22/2016	1	1033(A)	C M P DISTRIBUTORS INC	OPD-RIFLE	$ 925.00
01/22/2016	1	1034(A)	CENTRON DATA SERVICES, INC.	PRINTING/MAILING SERVICES FOR 2016 ASSESSMENT NOTICES	$ 5,931.28
01/22/2016	1	1035(A)	DALTON ELEVATOR LLC	SUPPLIES	$ 498.28
01/22/2016	1	1036(A)	DETROIT SALT COMPANY LLC	ROAD SALT-299.77/TONS	$ 18,375.90
01/22/2016	1	1037(A)	DUPERON LEASING & SALES INC	SCREENING EQUIPMENT LEASE PAYMENT	$ 1,815.00
01/22/2016	1	1038(A)	ELECTION SOURCE	ELECTION SIGNS	$ 870.44
01/22/2016	1	1039(A)	EMPLOYEE BENEFIT CONCEPTS INC	JAN 2016-FSA ADMIN FEE	$ 115.50
01/22/2016	1	1040(A)	GILBERT'S DO IT BEST HARDWARE & APP	SUPPLIES	$ 256.37
01/22/2016	1	1041(A)	J & B MEDICAL SUPPLY INC	OFD-AMBULANCE MEDICAL SUPPLIES	$ 950.05
01/22/2016	1	1042(A)	LOGICALIS INC	DEC 2015-NETWORK ENGINEERING	$ 6,272.00
01/22/2016	1	1043(A)	MAURER HEATING & COOLING, INC.	OFD-BOLTS FOR FURNACE	$ 26.00
01/22/2016	1	1044(A)	OFFICE SOURCE	SUPPLIES	$ 372.26
01/22/2016	1	1045(A)	OFFICEMAX INC	SUPPLIES	$ 253.66
01/22/2016	1	1046(A)	OWOSSO CHARTER TOWNSHIP	PAYMENT PURSUANT TO 2011 WATER AGREEMENT	$ 9,602.46
01/22/2016	1	1047(A)	POLYDYNE INC	WWTP-AF 4500 POLYMER	$ 2,252.50
01/22/2016	1	1048(A)	Q2A ASSOCIATES LLC	FINANCIAL SERVICES	$ 4,147.50
01/22/2016	1	1049(A)	ROWE PROFESSIONAL SERVICES COMPANY	STUDY FOR ROAD FEASIBILITY TO CARGILL	$ 4,950.00
01/22/2016	1	1050(A)	THE SHERWIN-WILLIAMS CO.	WTP-PAINT	$ 145.47
01/22/2016	1	1051(A)	SIGNATURE AUTO GROUP-OWOSSO MOTORS	2016 FORD POLICE INTERCEPTOR UTILITY AWD	$ 28,595.00
01/22/2016	1	1052(A)	SPICER GROUP, INC.	GOULD ST BRIDGE TIER 3 LOAD RATING INSPECTION	$ 2,194.75
01/22/2016	1	1053(A)	USA BLUE BOOK	PARTS	$ 843.02
01/22/2016	1	1054(A)	MICHAEL GENE WHEELER	SCHOOL LIAISON OFFICER-56 HRS	$ 1,024.80
01/22/2016	1	126150	ALL ABOUT ANIMALS	CAT CARE-PAID BY COMMUNITY CAT DONATIONS	$ 151.00
01/22/2016	1	126151	THE ARGUS PRESS	PRINTING OF LEGAL NOTICES ETC	$ 787.55
01/22/2016	1	126152	ARGUS-HAZCO	WWTP-WARRANTY REPLACEMENT SHIPPING	$ 12.06
01/22/2016	1	126153	AUTOMATED BUSINESS EQUIPMENT	CLERK-INK FOR CHECK PROTECTOR	$ 30.73
01/22/2016	1	126154	BLUMERICH COMMUNICATIONS SERVICE, INC	PUBLIC SAFETY BUILDING PAGING ALERT SYSTEM REPAIR	$ 120.00
01/22/2016	1	126155	CALEDONIA CHARTER TOWNSHIP	PAYMENT PURSUANT TO WATER DISTRICT AGREEMENT	$ 20,132.77
01/22/2016	1	126156	CAPITAL CONSULTANTS	DEVELOPMENT OF AN ASSET MGT PROGRAM FOR WWTP	$ 10,090.13
01/22/2016	1	126157	CITY OF CORUNNA	INSPECTION FUNDS	$ 156.62
01/22/2016	1	126158	CONSUMERS ENERGY	GAS/ELECTRIC USAGE	$ 17,796.60
01/22/2016	1	126159	VOID		$ -
			Void Reason: Created From Check Run Process		
01/22/2016	1	126160	CORELOGIC REAL ESTATE TAX SERVICE	OVERPAYMENT	$ 607.67
01/22/2016	1	126161	DAYSTARR COMMUNICATIONS	FEB 2016 PHONE/BROADBAND INTERNET SERVICE	$ 977.01
01/22/2016	1	126162	DELL MARKETING LP	PUBLIC SAFETY-DELL RUGGED LAPTOPS	$ 6,357.38

01/22/2016	1	126163	DELTA DENTAL PLAN OF MICHIGAN	FEB 16-DENTAL INSURANCE PREMIUM	$	3,850.79
01/22/2016	1	126164	DEZURIK INC	DEZURIK BUTTERFLY VALVE	$	3,904.00
01/22/2016	1	126165	FIRST DUE FIRE SUPPLY	OFD-KOCHEK UNIVERSAL SPANNER WRENCHES	$	158.96
01/22/2016	1	126166	FRONTIER	TRAFFIC SIGNAL	$	105.50
01/22/2016	1	126167	HAYDEN, TERRY	REIMBURSEMENT	$	150.00
01/22/2016	1	126168	HI QUALITY GLASS, INC	OFD-REPAIR TO ENGINE 1	$	28.00
01/22/2016	1	126169	INTERNATIONAL ASSOCIATION OF CHIEFS	2016 MEMBERSHIP-KEVIN LENKART	$	150.00
01/22/2016	1	126170	LASHAWAY DEBRA	REIMBURSEMENT	$	153.90
01/22/2016	1	126171	LONG'S TRANSMISSION SERVICE INC	FLEET-REPAIR TRANSMISSION ON #312	$	472.00
01/22/2016	1	126172	MEMORIAL MEDICAL ASSOCIATES	HEP B VACCINE	$	69.00
01/22/2016	1	126173	MICHIGAN BUSINESS & PROFESSIONAL ASSOCIATION	FEB 2016-COBRA ADMIN FEE	$	50.00
01/22/2016	1	126174	MICHIGAN LOCAL GOVT MGT ASSOCIATION	MEMBERSHIP-DONALD CRAWFORD	$	110.00
01/22/2016	1	126175	MICHIGAN MUNICIPAL LEAGUE	AD FOR BUILDING OFFICIAL/CONTRIBUTIONS TO COMP FUND	$	187.23
01/22/2016	1	126176	MICHIGAN MUNICIPAL TREASURERS ASSOCIATION	MEMBERSHIP-RONALD TOBEY-PAT SKUTT	$	170.00
01/22/2016	1	126177	MICHIGAN RURAL EMS NETWORK	2016 EMS SUMMIT CLASS/MEMBERSHIP-CHAPKO/LENKART	$	240.00
01/22/2016	1	126178	MICHIGAN RURAL WATER ASSOCIATION	WATER WELL OPERATIONS & MAINT COURSE-GLENN CHINAVARE	$	125.00
01/22/2016	1	126179	MICHIGAN WATER ENVIRONMENT ASSOCIATES	OPERATORS DAY-FEB 2 AND FEB 3, 2016	$	600.00
01/22/2016	1	126180	MID-MICHIGAN CONTRACTING INC	REPLACE/REPAIR CATCH BASIN	$	3,300.00
01/22/2016	1	126181	MISDU	PAYROLL DEDUCTIONS	$	1,827.81
01/22/2016	1	126182	MSHDA	TYLER LEPPANEN-MEETING	$	10.00
01/22/2016	1	126183	NEXTEL COMMUNICATIONS	DEC 2015-CELL PHONE USE AND EQUIPMENT	$	1,383.80
01/22/2016	1	126184	OFFICE DEPOT	SUPPLIES	$	806.23
01/22/2016	1	126185	ORCHARD HILTZ & MCCLIMENT INC	SEWER COLLECTION SYSTEM ASSET MGT	$	35,310.00
01/22/2016	1	126186	OWOSSO HITCH & PLOW CENTER INC.	OFD- SNOW PLOW REPAIR	$	147.04
01/22/2016	1	126187	GARY L PALMER	INTERIM BUILDING OFFICIAL SERVICES	$	1,200.00
01/22/2016	1	126188	KEVIN M. PETTIGREW	REIMBURSEMENT-MEALS-1/11/16-1/13/16	$	26.82
01/22/2016	1	126189	PRINTING SYSTEMS, INC.	ELECTION SUPPLIES FOR MARCH 8, 2016 ELECTION	$	279.68
01/22/2016	1	126190	PURITY CYLINDER GASES INC	WTP-CO2	$	3,327.56
01/22/2016	1	126191	ANDREW REED	REIMBURSEMENT-MEALS 1/11/16-1/13/16	$	28.60
01/22/2016	1	126192	RUTHY'S LAUNDRY CENTER	PUBLIC SAFETY-DEC 2015 DRY CLEANING	$	298.08
01/22/2016	1	126193	SHIAWASSEE COUNTY HEALTH DEPARTMENT	PUBLIC SWIMMING POOL INSPECTION-2 SPLASH PADS	$	184.00
01/22/2016	1	126194	SHIAWASSEE FAMILY YMCA	PAYROLL DEDUCTIONS-MEMBERSHIPS	$	277.10
01/22/2016	1	126195	SOUTHSIDE CAR WASH	OPD-10/1/15-12/31/15-CAR WASHES	$	180.60
01/22/2016	1	126196	STAPLES CREDIT PLAN	SAMSUNG GALAXY TABLETS (2)	$	259.98
01/22/2016	1	126197	STATE OF MICHIGAN	STATE WITHHOLDING TAX	$	13,468.12
01/22/2016	1	126198	STECHSCHULTE GAS & OIL, INC.	FUEL PE 1/15/16	$	3,316.45
01/22/2016	1	126199	TELEDYNE INSTRUMENTS INC	ISCO GLS SAMPLER PLUS ACCESSORIES	$	2,854.35
01/22/2016	1	126200	TRI-COUNTY ASSESSOR'S ASSOCIATION	MEMBERSHIP-LARRY COOK	$	10.00
01/22/2016	1	126201	TRI-MER CORPORATION	WTP-PUMP STAND	$	990.00
01/22/2016	1	126202	VERIZON WIRELESS	PUBLIC SAFETY MODEM FEES-12/11/15-1/10/16	$	237.70
01/22/2016	1	126203	WASTE MANAGEMENT OF MICHIGAN INC	JAN 2016-REFUSE SERVICE AND LANDFILL CHARGES	$	4,044.97
1 TOTALS:						
(1 Check Voided)						
Total of 137 Disbursements:					$	387,066.56
Bank 10 OWOSSO HISTORICAL FUND						
01/25/2016	10	4794	CHARTER COMMUNICATIONS	515 N WASHINGTON ST #3	$	39.33
01/25/2016	10	4795	CONSUMERS ENERGY	DEC 2015-515 N WASHINGTON ST	$	301.42
01/25/2016	10	4796	DAYSTARR COMMUNICATIONS	FEB 2016-GOULD HOUSE INTERNET	$	125.54
01/25/2016	10	4797	OWOSSO-WATER FUND	GOULD HOUSE-WATER/SEWER	$	130.00

10 TOTALS:					
Total of 4 Disbursements:					$ 596.29
Bank 2 TRUST & AGENCY					
01/08/2016	2	6485	DOWNTOWN DEVELOPMENT AUTHORITY	COLLECTIONS	$ -
			Void Reason: WRONG TONER USED IN PRINTING		
01/08/2016	2	6486	OWOSSO PUBLIC SCHOOLS	COLLECTIONS	$ -
			Void Reason: WRONG TONER USED WHEN PRINTING		
01/08/2016	2	6487	SHIAWASSEE AREA TRANSPORTATION AGENCY	REAL/PP COLLECTIONS	$ -
			Void Reason: WRONG TONER USED WHEN PRINTING		
01/08/2016	2	6488	SHIAWASSEE COUNTY TREASURER	ADVALOREM & CFT COLLECTIONS	$ -
			Void Reason: WRONG TONER USED WHEN PRINTING		
01/08/2016	2	6489	SHIAWASSEE COUNTY TREASURER	TRAILER FEES	$ -
			Void Reason: WRONG TONER USED WHEN PRINTING		
01/08/2016	2	6490	SHIAWASSEE DISTRICT LIBRARY	REAL/PP COLLECTIONS-CFT COLLECTIONS	$ -
			Void Reason: WRONG TONER USED WHEN PRINTING		
01/08/2016	2	6491	STATE OF MICHIGAN	COLLECTIONS	$ -
			Void Reason: WRONG TONER USED WHEN PRINTING		
01/08/2016	2	6492	DOWNTOWN DEVELOPMENT AUTHORITY	COLLECTIONS	$ 511.15
01/08/2016	2	6493	OWOSSO PUBLIC SCHOOLS	COLLECTIONS	$ 521,726.07
01/08/2016	2	6494	SHIAWASSEE AREA TRANSPORTATION AGENCY	REAL/PP COLLECTIONS	$ 348.31
01/08/2016	2	6495	SHIAWASSEE COUNTY TREASURER	ADVALOREM & CFT COLLECTIONS	$ 506,658.67
01/08/2016	2	6496	SHIAWASSEE COUNTY TREASURER	TRAILER FEES	$ 1,285.00
01/08/2016	2	6497	SHIAWASSEE DISTRICT LIBRARY	REAL/PP COLLECTIONS-CFT COLLECTIONS	$ 87,765.30
01/08/2016	2	6498	STATE OF MICHIGAN	COLLECTIONS	$ 4,069.37
01/25/2016	2	6499	OWOSSO PUBLIC SCHOOLS	COLLECTIONS	$ 198,956.06
01/25/2016	2	6500	SHIAWASSEE AREA TRANSPORTATION AGENCY	REAL/PP COLLECTIONS	$ 216.37
01/25/2016	2	6501	SHIAWASSEE COUNTY TREASURER	TRAILER FEES-130 LOTS	$ 325.00
01/25/2016	2	6502	SHIAWASSEE COUNTY TREASURER	ADVALOREM COLLECTIONS	$ 151,443.22
01/25/2016	2	6503	SHIAWASSEE DISTRICT LIBRARY	REAL/PP COLLECTIONS	$ 26,937.37
2 TOTALS:					
(7 Checks Voided)					
Total of 12 Disbursements:					$ 1,500,241.89
REPORT TOTALS:					
(8 Checks Voided)					
Total of 153 Disbursements:					$ 1,887,904.74

RESOLUTION NO.

APPOINTING CORPORATION BOARD MEMBER AND ALTERNATE TO THE I-69 INTERNATIONAL TRADE CORRIDOR NEXT MICHIGAN DEVELOPMENT CORPORATION

WHEREAS, the city of Owosso is a member of the I-69 International Trade Corridor next Michigan Development Corporation; and

WHEREAS, as long as the city of Owosso remains a member of the I-69 International Trade Corridor Next Michigan Development Corporation the city is entitled to one board member and an alternate to be appointed by the appointing authority under the *Interlocal Agreement creating the I-69 International Trade Corridor next Michigan Development Corporation*; executed December 22, 2011; and

WHEREAS, the *Interlocal Agreement creating the I-69 International Trade Corridor Next Michigan Development Corporation* provides that the tenure of any board member shall not exceed four years, that any member may resign anytime and/or may be removed anytime by the appointing authority.

NOW THEREFORE BE IT RESOLVED by the city council of the city of Owosso, Michigan as the appointing authority that:

FIRST: Donald D. Crawford is appointed as the board member representing the city of Owosso.

SECOND: The City Manager may appoint an alternate board member(s) to represent the city of Owosso in his stead.

MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: February 11, 2016

TO: City Council

FROM: Glenn M. Chinavare, Utility Director

SUBJECT: Water Reliability Study & General Plan Support Services - Sole Source Professional Services Agreement

RECOMMENDATION:

Authorization and approval to enter into a professional service agreement with Orchard, Hiltz, and McClement (OHM) of Livonia, Michigan, for engineering services to perform a Water Reliability Study and General Plan, as directed by the Michigan Department of Environmental Quality. Services to be provided for this project are not-to-exceed $36,550.00.

BACKGROUND:

The State of Michigan Safe Drinking Water Act, 1976 PA 399 delineates compliance requirements under Rule 325.11203 thru 11207 "Reliability Study", and Rule 325.11601 thru 11606 "General Plan". Recent amendments to PA 399 have added new compliance requirements for both programs.

The Reliability Study focuses on planning items including population, water demand for existing, 5-year and 20-year projections. In addition, fire protection needs and capacity of existing well supply must be evaluated. Last Reliability Study update to MDEQ was 2004.

The General Plan focuses on hydraulic analysis, comprehensive distribution system map, identification and detailing of distribution system components (asset management database), fire protection, and a short and long-term Capital Improvement Plan. Last General Plan update to MDEQ was 2004.

OHM consultants have provided a proposal and scope of services to address both the General Plan and Reliability Study requirements. This is broken down by specific tasks whereby City staff will also perform some of the work requirement to minimize contract costs where possible.

In addition, OHM is currently contracted to develop a GIS base map under the existing MDEQ SAW Grant for the Sanitary Sewer Collection System. Having the opportunity to make use of the building blocks already in process, will provide a more synergistic approach for developing the Distribution System map with common data elements in place, and eliminate duplication of many mapping attributes (additional costs) that would need to be created separately. Therefore, there is a cost incentive to issue this proposed professional services agreement to OHM.

FISCAL IMPACTS:

The proposed professional services agreement with OHM is a not-to-exceed amount of $36,550.00. This project is not reimbursable under the existing MDEQ SAW Grants. Funds available under the Water Utility account #591-901-972000.

Document originated by:

Glenn M. Chinavare, Utility Director

RESOLUTION NO.

AUTHORIZING THE EXECUTION OF ADDENDUM NO. 2 TO AN AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES WITH ORCHARD, HILTZ & MCCLIMENT, INC. D/B/A OHM ADVISORS

WHEREAS, the city of Owosso, Shiawassee County, Michigan, entered into an agreement with Orchard, Hiltz & McCliment, Inc. d/b/a OHM Advisors by the adoption of Resolution 26-2015 on April 6, 2015; and

WHEREAS, the city and engineer desires to expand the contract to include a water reliability study and general plan as outlined in the attached Addendum 2.

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 expand the contract approved by Resolution 26-2015 on April 6, 2015 with Orchard, Hiltz & McCliment, Inc. d/b/a OHM Advisors to include a water reliability study and general plan as outlined in the attached Addendum 2.

SECOND The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached as Addendum No. 2, Water Reliability Study& General Plan Support Services with Orchard, Hiltz & McCliment, Inc. d/b/a OHM Advisors in an amount not to exceed $50,000.

THIRD: The above expenses shall be paid from the water fund.

ADDENDUM 2 TO AN AGREEMENT
FOR
PROFESSIONAL ENGINEERING SERVICES WITH
ORCHARD, HILTZ & MCCLIMENT, INC. D/B/A OHM ADVISORS

This addendum, consisting of 7 pages including this signature page, is attached and made part of the agreement for professional engineering services dated April 6, 2015 between the city of Owosso, Michigan (owner) and Orchard, Hiltz & McCliment d/b/a OHM Advisors (Engineer).

WATER RELIABILITY STUDY & GENERAL PLAN SUPPORT SERVICES

For the engineer:
Orchard, Hiltz & McCliment d/b/a OHM Advisors

By: _____
Chuck Rolfe, P.E.
Senior Project Manager

Executed: _____, 2016

For the owner:
City of Owosso, Michigan

By: _____
Benjamin R. Frederick
Mayor

By: _____
Amy K. Kirkland
City Clerk

Executed: _____, 2016

SCOPE OF SERVICES

Task 1 – Project Kick-Off Meeting and Obtain Background Information (OHM)

Under this task, OHM will initiate the project and obtain necessary information to proceed with the analysis.

Specific work efforts include the following:

- Organize and attend a kick-off meeting with City staff to review project goals, objectives and project schedule
- Obtain necessary planning information to perform population projections and water demand calculations
- Obtain desired fire protection rates and zoning information
- Review current status of the water GIS and identify required updates
- Review and obtain up-to-date operating criteria (pumps, tank elevations, etc.) to establish model hydraulic grade line settings

OHM Deliverables:

- Meeting Summary

Task 2 – Planning Data Assessment, Water Production and Consumption Analysis (CITY)

Under this task, the City will assemble, evaluate and analyze population, water demand and water system capacities to determine sufficiency of the water system to meet existing and future needs. The City will compile planning data that will be used in creation of water system demand projections. Existing, 5-year and 20-year demand projections will be made based on the anticipated water service area population. Average day water demands will be calculated based on actual water consumption records over the past three years. The maximum day demand will be based on the highest peak day demand over the past three years. Peak hour will be the highest use hour typically seen on the maximum day. We assume sufficient information exists that can be used in the demand calculations. Based on the existing average day, maximum day and peak hour rates, maximum day and peak hour peaking factors will be determined. These same peaking factors will be applied for the future demand conditions (5-year and 20-year).

Specific work efforts include the following:

- Compile and report all planning data as required by the provisions in Act 399. These items include the following:
    a. Current, 5-year and 20-year population projections
    b. Number of service connections
    c. Number of Equivalent Residential Units (ERUs)
- Compile and report all water production and consumption data (present, 5-year and 20-year planning periods) as required by the provisions in Act 399. These items include the following:
    a. Present and projected average daily demands
    b. Present and projected maximum daily demands
    c. Present and projected peak hourly demands
    d. Present and projected fire flow demands
    e. Basis for demand projections

f. Monthly and annual water production
g. Annual usage totals for each customer class as determined by the public water supply

- Determine if the system has adequate supply, treatment and/or storage capacity. Additional capacity to meet present or future system demand will be identified and recommended improvements will be included in the Capital Improvement Plan.

CITY Deliverables:

- Population projections for the three planning periods
- Water demand (average day, maximum day and peak hour) for the three planning periods
- Documentation of existing water system capacities

Task 3 – Operational Conditions Evaluation and Documentation (OHM)

It will be necessary to fully understand the operational settings of the water system. Pump curves, finished water and elevated storage tank operating elevations contribute to the modeled system pressures and available fire protection. It is important that these operating set points are properly input into the water system model.

Specific work efforts include the following:

- Obtain and review storage tank elevations
- Obtain and review pump curves and discharge pressure

OHM Deliverables:

- Summary tables displaying operating set points

Task 4 – Hydraulic Modeling (OHM)

The hydraulic modeling task will consist of three sub-tasks: GIS Development, Water Model Development and Calibration, and Hydraulic Analysis.

Task 4a – GIS Development

OHM intends to build a hydraulic model from the new water GIS system created under this task and derived from the master CAD files provided by the City. We understand the information as provided by the City is lacking connectivity, pipe material, and age. This information in addition to the general locations and pipe size that was included in the submittal is vital information necessary for the hydraulic model. With the help of City staff, the GIS will be updated to include the water main size, material and age. Proper connectivity is essential to ensure accurate model results.

Specific work efforts include the following:

- Creation of a GIS Geodatabase in the ESRI Local Government Schema
- Attribute all features with the help of City staff or other sources, like historical imagery
- Create a geometric network, ensuring proper connectivity

OHM Deliverables:

- ESRI Local Government Schema Geodatabase containing the water utility dataset
- Water utility system map set

Task 4b – Water Model Development and Calibration (OHM)

The existing average day water demand, operating criteria and elevation data will be input into the water model to simulate pressures and available fire protection under current conditions. The model will then be calibrated based on hydrant flow test data provided by the City. OHM will provide suggested hydrants to be tested. It is expected between 15 and 20 hydrants will be flow tested by the City as part of the calibration process.

Water demand scenarios for the 5-year and 20-year planning periods will also be created under this task.

As part of the General Plan requirements, maps displaying the water service district boundaries for existing and future planning conditions will be provided along with a map displaying water main size, material and age. Hydrants and valves and other water system components will be added to the map provided they are readily available in the water GIS.

Specific work efforts include the following:

- Creation of a water hydraulic model from the City's CAD submittal
- Development of water demand scenarios for average day, maximum day and peak hour for existing, 5-year and 20-year planning periods
- Identification of hydrants to be flow tested by the City for model calibration (shown on a map)
- Model calibration

OHM Deliverables:

- Hydrant flow testing location map
- Calibrated water model
- Calibration documentation
- Water service district boundaries
- General Plan map showing water main, age, material, hydrants, valves, storage, treatment and wells

Task 4c – Hydraulic Analysis (OHM)

Once the water model has been calibrated, it will be used to determine anticipated system pressures during average day, maximum day and peak hour for existing conditions. Available fire protection during a maximum day demand period will also be shown.

Deficiencies in pressure or areas of fire protection concern will be identified for existing conditions. The model will also be run to assess system pressure and available fire protection for the 5-year and 20-year planning periods. Proposed water system improvements to fix existing pressure concerns (either too low or too high) and to improve desired fire protection will be initially based on existing conditions. Once the improvements are identified and agreed to with the City, the model will be updated to include

those improvements and the 5-year and 20-year future water demand scenarios will be modeled. If other improvements are needed based on these future scenarios, they will be noted and presented to the City. Once all the needed system improvements have been identified and incorporated in the water model, the pressure maps and fire protection maps will be updated for the existing, 5-year and 20-year future projections, as required.

Specific work efforts include the following:

- Perform model analyses for average day, maximum day and peak hour demand scenarios for existing, 5-year and 20-year planning periods
- Perform fire protection model analyzes for existing, 5-year and 20-year planning periods
- Identification of capital improvements needed to address pressure or fire protection concerns for the three planning periods
- Creation of pressure and fire protection maps summarizing the model results

OHM Deliverables:

- Pressure contour maps for average day, maximum day and peak hour for existing, 5-year and 20-year planning periods
- Fire protection maps for existing, 5-year and 20-year planning periods (run on maximum day)
- List of recommended hydraulic capital improvements needed to address pressure or fire protection concerns
- Map showing proposed Capital Improvements
- Pressure contour and fire protection maps based on incorporating capital improvements (existing, 5-year and 20-year planning periods)

Task 5 – Water Shortage Response Plan for Emergencies (CITY)

The City will provide planning level analyses for alternatives in the event the existing well field is no longer viable due to reduction in pumping capacity or unusable do to contamination.

Specific work efforts include the following:

- Identify contingency for water supply in the event the existing well field is no long viable

CITY Deliverables:

- Section in the Water Reliability Study Report

Task 6 – Capital Improvement Plan Development (CITY)

The Capital Improvement Plan is expected to include a variety of recommended improvements such as upgrade of undersized water mains for desired fire protection, new water main to loop dead ends and potentially upgrades of the well supply, treatment or storage components. Once the improvements have been selected, the City will include an opinion of probable cost for those selected improvements and a suggested timeline for its construction.

Specific work efforts the City may want OHM to support:

- Meet with the City to review recommended system improvements

- Prepare opinion of probable cost for recommended system improvements
- Prepare timeframe for implementation of improvements

CITY Deliverables:

- Description of recommended improvement
- Cost opinion of recommended improvement
- Map showing location of recommended improvement and suggested timeline

Task 7 – Water Reliability Study Report (CITY)

The City will create a Water Reliability Study Report summarizing the findings of the analysis. The Capital Improvement Plan will be an appendix to the Water Reliability Study Report.

Specific work efforts include the following:

- Creation of Water Reliability Study Report incorporating sections, figures and data from previous tasks

CITY Deliverables:

- The Final Report

SCHEDULE

The project will begin within one week of authorization and will be completed by July 22, 2016 provided authorization is given by February 12, 2016.

COMPENSATION

The services outlined above will be performed on an hourly basis in accordance with the existing agreement for the not-to-exceed amount of thirty-six thousand five hundred fifty dollars ($36,550). This amount is based on the assumptions listed below. The City will be invoiced for services on a monthly basis. The estimated budget breakdown is as follows:

Task 1 – Project Kick-Off Meeting and Obtain Background Information		$ 2,300
Task 2 - **CITY** - Planning Data Assessment, Water Production and Consumption Analysis		
Task 3 - Operational Conditions Evaluation and Documentation		$ 3,000
Task 4 – Hydraulic Modeling		$31,250
Task 5 - **CITY** - Water Shortage Response Plan for Emergencies		
Task 6 – **CITY** - Capital Improvement Plan Development		
Task 7 – **CITY** - Water Reliability Study Report		
	Total	$36,550

FURTHER CLARIFICATIONS AND ASSUMPTIONS

The above-listed scope of services was prepared with the following assumptions:

- The City will support system information needs (material, age, and location).
- The City will provide all necessary water system demand data and operating criteria necessary for model analysis.
- The City will perform hydrant flow testing that will be used for model calibration

Should you find this agreement acceptable, please execute both copies and return one copy to us for our file. We look forward to providing professional services on this project. If you have any questions, please contact us.

Sincerely,
OHM Advisors

_____

Chuck Rolfe, P.E.
Senior Project Manager

Enclosure: *none*

cc: Greg Kacvinsky, OHM
Vicki Putala, OHM
File

City of Owosso
Water Reliability Study and General Plan
Engineering Services

Accepted By:_____

Printed Name:_____

Title:_____

Date:_____

To: Owosso City Council

From: Gary Palmer, Interim Building Official

Date: 02/01/2016

Building Department Report for January, 2016

Category	Estimated Cost	Permit Fee	Number of Permits
Churches-New & Alt	*$0*	*$95*	*1*
Demolition	*$0*	*$840*	*6*
Electrical	*$0*	*$2,870*	*10*
Mechanical	*$0*	*$2,460*	*18*
Non-Res. Add/Alter/Repair	*$58,860*	*$930*	*4*
Non-Res. New	*$903,995*	*$11,631*	*1*
Plumbing	*$0*	*$1,020*	*7*
Res. Add/Alter/Repair	*$277,711*	*$3,190*	*8*
Res. Multi-Family	*$4,200,000*	*$42,284*	*1*
Sign	*$16,225*	*$410*	*3*
VACANT PROPERTY INSP	*$0*	*$50*	*1*
VACANT PROPERTY REGI	*$0*	*$2,500*	*25*
Totals	***$5,456,791***	***$68,280***	***85***

2015 COMPARISON TOTALS

		BUILDING PERMITS ONLY -	9
JANUARY, 2015 TOTALS	$1,762,635	$26,709	62

BAC

Enforcements By Category

JANUARY, 2016

ANIMALS

Enforcement Number	Address	Previous Status	Status	Filed	Closed	Rental
ENF 16-0045	802 DIVISION ST	REF TO TYLER	REF TO TYLER	01/22/16		Y
ENF 16-0046	202 N DEWEY ST	REF TO POLICE	REF TO POLICE	01/22/16		N
ENF 16-0047	510 RIVER ST	RESOLVED	Resolved	01/25/16	01/27/16	N
ENF 16-0058	506 RIVER ST	LETTER SENT	LETTER SENT	01/29/16		N

Total Entries: 4

AUTO REP/JUNK VEH

Enforcement Number	Address	Previous Status	Status	Filed	Closed	Rental
ENF 16-0048	515 N WASHINGTON ST	RESOLVED	Resolved	01/25/16	01/29/16	HIST/Y

Total Entries: 1

BUILDING VIOL

Enforcement Number	Address	Previous Status	Status	Filed	Closed	Rental
ENF 16-0036	300 W MAIN ST	RESOLVED	Resolved	01/14/16	01/20/16	COMM
ENF 16-0037	719 N WASHINGTON ST	REF TO PALMER	REF TO PALMER	01/14/16		Y
ENF 16-0039	208 W EXCHANGE ST	REF TO PALMER	REF TO PALMER	01/19/16		COMM
ENF 16-0055	211 N WASHINGTON ST	REF TO PALMER	REF TO PALMER	01/28/16		COMM

Total Entries: 4

FRONT YARD PARKING

Enforcement Number	Address	Previous Status	Status	Filed	Closed	Rental
ENF 16-0010	1307 STINSON ST	RESOLVED	Resolved	01/06/16	01/14/16	Y

Total Entries: 1

GARBAGE & DEBRIS

Enforcement Number	Address	Previous Status	Status	Filed	Closed	Rental
ENF 16-0035	520 PINE ST	RESOLVED	Resolved	01/14/16	01/14/16	Y

Enforcements By Category

JANUARY, 2016

ENF 16-0038	656 N WASHINGTON ST	RESOLVED	Resolved	01/13/16	01/19/16	N
ENF 16-0005	609 E OLIVER ST	LETTER SENT	Resolved	01/04/16	01/12/16	Y
ENF 16-0011	212 S HOWELL ST	REF TO TYLER	Resolved	01/07/16	01/21/16	N
ENF 16-0012	813 RYAN ST	REF TO TYLER	Resolved	01/07/16	01/07/16	N
ENF 16-0022	213 S LANSING ST	REF TO TYLER	Resolved	01/08/16	01/19/16	N
ENF 16-0030	1223 N BALL ST	LETTER SENT	Resolved	01/11/16	01/29/16	Y
ENF 16-0040	221 N LANSING ST	LETTER SENT	Resolved	01/19/16	01/25/16	N
ENF 16-0041	214 N LANSING ST	REF TO TYLER	Resolved	01/19/16	01/25/16	Y
ENF 16-0042	215 N LANSING ST	LETTER SENT	Resolved	01/19/16	01/25/16	N
ENF 16-0044	422 E COMSTOCK ST	REF TO TYLER	Resolved	01/21/16	01/29/16	Y
ENF 16-0050	520 E MASON ST	REF TO DPW	REF TO POLICE	01/25/16		Y
ENF 16-0051	211 N LANSING ST	LETTER SENT	Resolved	01/25/16	01/29/16	Y
ENF 16-0052	911 BEEHLER ST	LETTER SENT	LETTER SENT	01/25/16		Y
ENF 16-0054	320 N DEWEY ST	REF TO TYLER	REF TO TYLER	01/26/16		Y
ENF 16-0056	634 N WASHINGTON ST	LETTER SENT	LETTER SENT	01/28/16		Y
ENF 16-0057	639 N PARK ST	REF TO TYLER	REF TO TYLER	01/29/16		N
ENF 16-0059	1701 W STEWART ST	REF TO TYLER	REF TO TYLER	01/29/16		Y
ENF 16-0060	512 RIVER ST	LETTER SENT	LETTER SENT	01/29/16		Y
ENF 16-0061	514 RIVER ST	LETTER SENT	LETTER SENT	01/29/16		N
ENF 16-0062	518 RIVER ST	LETTER SENT	LETTER SENT	01/29/16		N
ENF 16-0063	118 N LANSING ST	LETTER SENT	LETTER SENT	01/29/16		Y
ENF 16-0064	208 N LANSING ST	LETTER SENT	LETTER SENT	01/29/16		N

Total Entries: 23

MISC.

Enforcement Number	Address	Previous Status	Status	Filed	Closed	Rental
ENF 16-0006	421 HURON ST	RESOLVED	Resolved	01/05/16	01/14/16	N

Total Entries: 1

Enforcements By Category

JANUARY, 2016

RENTAL UNIT VIOL

Enforcement Number	Address	Previous Status	Status	Filed	Closed	Rental
ENF 16-0043	303 W WILLIAMS ST	REF TO TYLER	Resolved	01/21/16	01/22/16	Y
ENF 16-0049	515 GLENWOOD AV	LETTER SENT	Resolved	01/25/16	02/01/16	Y
ENF 16-0053	911 BEEHLER ST	LETTER SENT	REF TO TYLER	01/25/16		Y

Total Entries: 3

SIDEWALK/SNOW & ICE

Enforcement Number	Address	Previous Status	Status	Filed	Closed	Rental
ENF 16-0001	524 CORUNNA AV	CLOSED	INSPECTION PENDIN	01/04/16	01/11/16	Y
ENF 16-0002	529 CORUNNA AV	CLOSED	INSPECTION PENDIN	01/04/16	01/11/16	Y
ENF 16-0003	513 CORUNNA AV	CLOSED	Resolved	01/04/16	01/11/16	Y
ENF 16-0004	1102 S CHIPMAN ST	CLOSED	Resolved	01/04/16	01/11/16	N
ENF 16-0007	533 AMENT ST	CLOSED	Dismissed	01/05/16	01/13/16	N
ENF 16-0008	531 AMENT ST	CLOSED	Resolved	01/05/16	01/11/16	Y
ENF 16-0009	529 AMENT ST	CLOSED	Dismissed	01/05/16	01/13/16	Y
ENF 16-0013	904 E OLIVER ST	INVOICED	Resolved	01/08/16	01/19/16	N
ENF 16-0014	918 E OLIVER ST	INVOICED	Resolved	01/08/16	01/19/16	N
ENF 16-0015	603 E OLIVER ST	INVOICED	Resolved	01/08/16	01/19/16	N
ENF 16-0016	1118 W OLIVER ST	INVOICED	Resolved	01/08/16	01/19/16	?
ENF 16-0017	713 W OLIVER ST	CLOSED	Resolved	01/08/16	01/14/16	N
ENF 16-0018	702 N DEWEY ST	INVOICED	Resolved	01/08/16	01/19/16	N
ENF 16-0019	1455 W KING ST	INVOICED	Resolved	01/08/16	01/19/16	N
ENF 16-0020	1400 OLMSTEAD ST	INVOICED	Resolved	01/08/16	01/19/16	Y
ENF 16-0021	308 E OLIVER ST	INVOICED	Resolved	01/08/16	01/19/16	?
ENF 16-0023	900 W OLIVER ST	INVOICED	Resolved	01/11/16	01/22/16	N
ENF 16-0024	418 W KING ST	INVOICED	Resolved	01/11/16	01/22/16	Y
ENF 16-0025	1600 W STEWART ST	INVOICED	Resolved	01/11/16	01/22/16	N

Enforcements By Category

JANUARY, 2016

ENF 16-0026	1817 W STEWART ST	INVOICED	Resolved	01/11/16	01/22/16	N
ENF 16-0027	1803 W STEWART ST	WO SENT	Resolved	01/11/16	01/22/16	N
ENF 16-0028	1319 W STEWART ST	INVOICED	Resolved	01/11/16	01/22/16	N
ENF 16-0029	405 W STEWART ST	INVOICED	Resolved	01/11/16	01/22/16	N
ENF 16-0031	221 W STEWART ST	INVOICED	Resolved	01/11/16	01/22/16	N
ENF 16-0032	217 W STEWART ST	INVOICED	Resolved	01/11/16	01/22/16	N
ENF 16-0033	800 S PARK ST	INVOICED	Resolved	01/11/16	01/22/16	N
ENF 16-0034	211 E STEWART ST	INVOICED	Resolved	01/11/16	01/22/16	N

Total Entries: 27

Total Records: 64

Total Pages: 4

RENTAL COLUMN DEFINITIONS

Y - Yes, it's a rental
N - No, it's not a rental - owner occupied
APTS - Apartment Building
COMM - Commercial
REPO - Repossession
TRAIL - Trailer Park
VAC - Vacant House
VL - Vacant Lot
IND - Industrial
HOME OCC - Home Occupied

OWOSSO PUBLIC SAFETY

202 S. WATER ST. ▪ OWOSSO, MICHIGAN 48867-2958 · (989) 725-0580 · FAX (989) 725-0528

MEMORANDUM

DATE: February 3, 2016

TO: Owosso City Council

FROM: Kevin Lenkart
Director of Public Safety

RE: January 2016 Police Report

Attached are statistics for the police department for January 2016. This report includes activity for the month of January and year-to-date statistics. Also attached is a list of Field Contacts, which are incidents that the police are dispatched to that require no further follow-up than the officer's initial response.

Additionally, reported burn complaints are attached for January, and there were no citations issued.

Case Assignment/Clearance Report For January, 2016

JANUARY 2016 INCIDENTS

Offenses	Current Month Assigned	Current Month Cleared	Year-To-Date Assigned	Year-To-Date Cleared	Percent Cleared
PART I OFFENSES					
ROBBERY	0	0	0	0	0 %
AGGRAVATED ASSAULT	3	5	3	5	166 %
BURGLARY	1	4	1	4	400 %
LARCENY	12	19	12	19	158 %
MOTOR VEHICLE THEFT	1	1	1	1	100 %
SIMPLE ASSAULT	21	25	21	25	119 %
ARSON	1	1	1	1	100 %
FORGERY & UTTERING	1	1	1	1	100 %
COUNTERFEITING	0	0	0	0	0 %
FRAUD	3	5	3	5	166 %
EMBEZZLEMENT	0	0	0	0	0 %
WEAPON CRIMES- CARRY, POSS,	0	0	0	0	0 %
PROSTITUTION	0	0	0	0	0 %
SEX OFFENSES 1/ UNDER AGE -	0	0	0	0	0 %
NARCOTICS VOLIATIONS	6	8	6	8	133 %
GAMBLING VIOLATIONS	0	0	0	0	0 %
VANDALISM-DAMAGE-DESTRUCTIO	0	0	0	0	0 %
HOMICIDE 1	0	0	0	0	0 %
HOMICIDE	0	0	0	0	0 %
RAPE / NON - FAMILY	0	0	0	0	0 %
SEX OFFENSES 2	5	10	5	10	200 %
PARENTAL KIDDNAP	0	0	0	0	0 %
KIDDNAPPING	0	0	0	0	0 %
BURGLARY RESIDENTIAL	2	2	2	2	100 %
BURGLARY COMMERCIAL	0	0	0	0	0 %
RESISTING/OBSTRUCTING	2	2	2	2	100 %
PART I OFFENSES	*58*	*83*	*58*	*83*	*143 %*
PART II OFFENSES					
PAROLE/PROBATION VIOLATION	2	2	2	2	100 %
NATURAL DEATH	0	0	0	0	0 %
RETAIL FRAUD	1	1	1	1	100 %
RUNAWAY	4	4	4	4	100 %
VIOLATION PPO/ COURT ORDER	1	1	1	1	100 %

Offenses	Current Month Assigned	Current Month Cleared	Year-To-Date Assigned	Year-To-Date Cleared	Percent Cleared
FAMILY NONSUPPORT	0	0	0	0	0 %
SUSPICOUS DEATH	0	0	0	0	0 %
TRAFFIC OFFENSES OTHER	10	10	10	10	100 %
CRIMINAL CASE OTHER	0	0	0	0	0 %
WARRANT ARREST	10	10	10	10	100 %
SUSPICOUS CIRCUMSTANCES	1	1	1	1	100 %
WARRANT ADVISED	0	0	0	0	0 %
MENTAL ORDER-ECO / TDO	7	9	7	9	128 %
DOMESTIC ASSAULT/SITUATION	4	5	4	5	125 %
ILLEGAL DUMPING	0	0	0	0	0 %
FOUND PROPERTY	3	4	3	4	133 %
RECOVERED PROPERTY	0	0	0	0	0 %
ANNOYING PHONE CALLS	0	0	0	0	0 %
TRESPASSING	0	0	0	0	0 %
DOA	1	2	1	2	200 %
ANIMAL COMPLAINTS	0	1	0	1	0 %
MISSING PERSON	1	1	1	1	100 %
WARRANT OBTAINED	0	0	0	0	0 %
PROPERTY-LOST	0	0	0	0	0 %
SAFEKEEPING OF WEAPON	0	0	0	0	0 %
SUICIDE AND ATTEMPTED SUICIDES	1	3	1	3	300 %
TRAFFIC - HIT & RUN	6	6	6	6	100 %
FIRES - NOT ARSON	0	0	0	0	0 %
LOST PROPERTY	0	0	0	0	0 %
NON-CRIMINAL CASE	9	9	9	9	100 %
CRIMES AGAINST FAMILY &	0	2	0	2	0 %
DRIVING WHILE IMPAIRED	6	7	6	7	116 %
LIQUOR LAW VIOLATIONS	1	1	1	1	100 %
DISORDERLY CONDUCT	4	5	4	5	125 %
OTHER CRIMES	12	12	12	12	100 %
IMPOUND / TOW FOLLOW-UP	0	0	0	0	0 %
FALSE ALARM	0	0	0	0	0 %
MOTOR VEHICLE CRASH	18	18	18	18	100 %
THREATS	0	1	0	1	0 %
PROPERTY CRIMES, POSS, SALE,	0	0	0	0	0 %
DAMAGE TO PROPERTY	6	6	6	6	100 %
PART II OFFENSES	*108*	*121*	*108*	*121*	*112 %*
Grand Totals:	**166**	**204**	**166**	**204**	**122 %**

Field Contact By Reason Summary Report

JANUARY 2016

Reason for Contact	Count
911 Hang Up	18
Abandoned Vehicle	3
False Alarm Commercial	16
False Alarm Residential	1
All Other Service Reports	13
Animal Complaints Other	13
Assist Ambulance	11
Assist To Other Dept	14
Assist Officer	1
Attempt To Locate	14
Barking Dog	2
Burning Ordinance	2
Civil Dispute	14
Disturbance	6
Fight / No Assault	4
Found Property	2
Gun Permit/register	69
Harrassment	7
Investigate Vehicle	1
Loud Music	2
Loud Party	1
Damage To Property	1
Motorist Assist	4
Open Door	1
Ordinance Violation	3
Parking Problem	29
Pawn Ticket	76
Peace Officer	23
Prowler	2
Road Hazard	5
Suspicious Person	14
Suspicious Situation	17
Suspicious Vehicle	11

Reason for Contact	Count
Trouble With Kids	7
Trouble With Neighbor	8
Trouble With Subject	31
Trespassing	2
Unwanted Subject	3
Vacation Check	6
Welfare Check	20
Work Traffic	186

REPORTED BURN COMPLAINTS - NO VIOLATIONS

JANUARY 2016 FIELD CONTACT REPORT

CASE_ID	FCDATE	STREET
201600297	01/19/2016 22:43:00	S ALGER AVE
201600041	01/03/2016 01:31:00	S MAPLE ST

202 S. WATER ST. ▪ OWOSSO, MICHIGAN 48867-2958 · (989) 725-0580 · FAX (989) 725-0528

MEMORANDUM

DATE: February 3, 2016

TO: City Council

FROM: Kevin Lenkart
Director of Public Safety

RE: January 2016 Fire & Ambulance Report

During the month of January 2016:

Fire Department responded to **237** Ambulance calls

Fire Department responded to **15** Fire calls –

1 – Accident (w/ injury)
1 – Accident (no injury)
2 – Dispatched & Cancelled
2 – False Alarms
2 – Carbon Monoxide Incidents
2 – Smoke Detector Activation
1 – Good Intent Call
1 – CO Alarm
1 – Smoke Removal
1 – Electrical Problem
1 – Unauthorized Burning

OWOSSO HISTORICAL COMMISSION
Regular meeting
Monday January 11, 2016
Curwood Castle

CALL TO ORDER: **Chair Elaine Greenway called the meeting to order at 7:08 p.m.**

PRESENT: **Chair Elaine Greenway, Vice-Chair Jennifer Mahoney, Commissioner Robert Brockway, Commissioner Chris Eveleth, Commissioner Tracey Peltier, Commissioner Jenelle Steele-Elkins, Commissioner Dennis Mahoney, Historical Facilities Director Robert Doran.**

ABSENT: **Commissioner Nick Pidek.**

APPROVAL OF AGENDA: **COMMISSIONER CHRIS EVELETH MADE THE MOTION TO ACCEPT THE AGENDA, SECONDED BY COMMISSIONER ROBERT BROCKWAY. AYES ALL, MOTION CARRIED.**

TREASURERS REPORT: **COMMISSIONER CHRIS EVELETH MADE THE MOTION THE ACCEPT THE TREASURES REPORT, SECONDED BY COMMISSIONER ROBERT BROCKWAY. AYES ALL, MOTION CARRIED.**

APPROVAL OF MINUTES: **COMMISSIONER CHRIS EVELETH MADE THE MOTION TO ACCEPT THE DECEMBER, 2015 MINUTES, SECONDED BY VICE CHAIR JENNIFER MAHONEY. AYES ALL, MOTION CARRIED.**

CITIZENS COMMENTS: Rick Wheeler shared a map with the proposed placement of the Curwood Statue. **VICE CHAIR JENNIFER MAHONEY MADE A MOTION TO ACCEPT THE MAP AND THE PLACEMENT OF THE CURWOOD STATUE, SECONDED BY COMMISSIONER CHRIS EVELETH. AYES ALL, MOTION CARRIED.**

COMMUNICATIONS:

DIRECTORS REPORT: Director Robert Doran deferred Director's report to Old and New Business.

OLD BUSINESS:

VOLUNTEERS DATABASE – Director Doran again asked all Commission members to please assist with the building of our volunteer database. This request has been made to the Commission at every meeting.

NON PROFIT GROUP SUSTAINIBILITY AND CAPACITY BUILDING – Director Doran reminded the Commission of the upcoming dates for the meetings with the Non Profit Group.

DATES AND PERFORMERS FOR CASTLE CONCERT SERIES – Final dates and performers were set for the Concert at the Castle series:
Feb 27: Coolin - Celtic Music; March 26: B Side Jeff Deason;
April 30: Mandy & Nick; May 21: Evening of Baroque Music – Harpsichord, Lute & Recorder

MADE ON OWOSSO EXHIBITION – Director Doran updated the Commission on Made in Owosso exhibition. He and the Shiawassee Arts Center are currently working on a Cultural Heritage Grant.

NEW BUSINESS:

NAME THE MOOSE – The Commission voted and it was decided that the winner of the name the moose contest is Yukon. Press Release, photos and winner will be presented at the next regular OHC meeting.

PATRICE MARTIN from the Non Profit Group began the facilitated dialog process with the OCH. First meeting lasted approximately 60 minutes.

CITIZEN COMMENTS:

ADJOURN:

COMMISSIONER CHRIS EVELETH MADE THE MOTION TO ADJOURN AT 8:40, SUPPORTED BY ROBERT BROCKWAY. AYES ALL, MOTION CARRIED

PARKS AND RECREATION COMMISSION
Monday, January 11, 2016 - 6:00 p.m.
City Hall Council Chambers
301 W. Main St.
Owosso, MI 48867

CALL TO ORDER: Chairman Espich called the meeting to order at 6:02 p.m.

PLEDGE OF ALLEGIANCE: Was recited.

ROLL CALL: Was taken by Recording Secretary Roxane Cramer

MEMBERS PRESENT: Chairman Mike Espich, Vice Chair Jeff Selbig, Commissioner Shane Nelson, Commissioner Randy Woodworth

MEMBERS ABSENT: Commissioner Kristen Woodbury

OTHERS PRESENT: Sue Montenegro Assistant City Manager and Director of Community Development, Nick Tereck Residence Life Director at Baker College - Owosso

APPROVAL OF AGENDA: **COMMISSIONER WOODWORTH MADE THE MOTION TO APPROVE THE AGENDA FOR JANUARY 11, 2016, SUPPORTED BY VICE-CHAIR SELBIG WITH THE FOLLOWING CHANGES: ITEM OF BUSINESS NUMBER 1, CURWOOD CASTLE PARK STATUE, MOVED TO PUBLIC COMMENT SECTION.**
AYES ALL, MOTION CARRIED

APPROVAL OF MINUTES: **COMMISSIONER NELSON MADE THE MOTION TO APPROVE THE MINUTES FOR DECEMBER 14, 2015, SUPPORTED BY COMMISSIONER WOODBURY.**
AYES ALL, MOTION CARRIED

PUBLIC COMMENTS:

Rick Wheeler came to Parks and Recreation meeting for final approval of the site near the castle for the statue of James Oliver Curwood. Mr. Wheeler handed out a drawing with the approximate location of the statue. He said the statue weighs around 800 pounds. He thought they would use a fork truck to set the statue. He promised if there was any damage done to the area setting the statue that it would be returned as it was. All the costs for the statue and placement will be taken care of.

Commissioner Nelson made a motion to place the statue where Mr. Wheeler requested, Commissioner Woodworth requested that Mr. Wheeler talk with the City Department of Public

Works and get their okay on the necessary requirements for placement of the statue. Mr. Wheeler agreed to contact the DPW.
Commissioner Woodworth supported the motion.
Ayes All, Motion carried.

COMMUNICATIONS:

1. Staff memorandum
2. Minutes from December 14, 2015
3. Winter Carnival idea sheet

BUSINESS:

1. Polar Plunge

There was a lengthy discussion about what to include this year along with the Polar Plunge. Nick Tereck from Baker College is going to work organizing some of the activities. The commissioners are also working on organizing activities.

The following is a list of potential activities: ice skating on Hopkins Lake, ice carving for amateurs, snowball toss, biggest snowball, tug of war, snow paint and a Hula Hoop Contest.

Commissioners also discussed having a warming tent, from this tent they would like to serve hotdogs and hot chocolate. Commissioners are seeking donations from local service organizations for the hotdogs and hot chocolate. Ms. Montenegro also shared a list of the plungers that have committed to jump.

Commissioner Woodworth suggested they meet February 8th, 15th and 22nd at 6 p.m. for a short follow up discussion on the Polar Plunge.

DISCUSSION: None

PUBLIC COMMENTS: None

ADJOURNMENT: **COMMISSIONER NELSON MADE THE MOTION TO ADJOURN AT 7:16 P.M., SUPPORTED BY VICE-CHAIR SELBIG, AYES ALL, MOTION CARRIED**

Next regular meeting - Monday, January 25, 2016 at 6 p.m.

DRAFT

PARKS AND RECREATION COMMISSION
Monday, January 25, 2016- 6:00 p.m.
City Hall Council Chambers
301 W. Main St.
Owosso, MI 48867

CALL TO ORDER: Chairman Espich called the meeting to order at 6:06 p.m.

PLEDGE OF ALLEGIENCE: Was recited.

ROLL CALL: Was taken by Recording Secretary Roxane Cramer

MEMBERS PRESENT: Chairman Mike Espich, Commissioner Shane Nelson, Commissioner Kristen Woodbury,

MEMBERS ABSENT: Vice Chair Jeff Selbig, Commissioner Randy Woodworth.

OTHERS PRESENT: Sue Montenegro Assistant City Manager and Director of Community Development, Jon Beebe and Eric Sanderson, designers of the disc golf course, several persons in attendance concerned with placing the disc golf at Hopkins Lake Park.

APPROVAL OF AGENDA: **COMMISSIONER NELSON MADE THE MOTION TO APPROVE THE AGENDA FOR JANUARY 25, 2016, WITH THE FOLLOWING CHANGES: THE NEXT MEETINGS WILL BE FEBRUARY 8, 15 AND 22, SUPPORTED BY COMMISSIONER WOODBURY, AYES ALL, MOTION CARRIED**

APPROVAL OF MINUTES: **COMMISSIONER WOODBURY MADE THE MOTION TO APPROVE THE MINUTES FOR JANUARY 11, 2016, SUPPORTED BY COMMISSIONER WOODBURY, AYES ALL, MOTION CARRIED**

PUBLIC COMMENTS:

Terry Mcleod, South Durand Road, Lennon, She stressed how important it is to get the " Rails to Trails" trail into town. She said that Owosso Township allowed people to park in their lot but because they have moved their offices and no longer own the property she is concerned where the bikers will park.

Robert Flynn, Pine Street, Owosso, He stated that use of the trails at Hopkins Lake skyrocketed about 5-6 years ago. He asked the commission to take into consideration all the work done on the trails by the volunteers that had worked on it.

Steve Wickham, Hollister Road, Laingsburg, asked that the trail system stay the same to continue the use of the trails.

Chairman Espich addressed the audience members by reminding them the Parks and Recreation Commission is only an advisory board to council and will make recommendations to city council. He also stated that no decisions are going to be made tonight regarding the disc golf course.

COMMUNICATIONS:

1. Staff memorandum
2. Minutes from January 11, 2016
3. Map of Kiwanis Trails
4. Winter Carnival activity sheet

BUSINESS:

1. Disc Golf

   Ms. Montenegro showed an aerial map of Hopkins Lake with the layout of the disc golf.

   Jon Beebe and Eric Sanderson, the designers of the course, stated that they tried to place the disc golf course out of the way of the trails. He said there aren't any fairways or pads on the trails.

   Ms. Montenegro addressed the audience and let the audience members speak in an orderly and respectful way. The majority in attendance were concerned that the disc golf course would interfere with the trails. They were also concerned with the removal of trees. Ms. Montenegro explained that there would be removal of underbrush not large trees.

   Jon Beebe and Eric Sanderson agreed to go and stake out the course. There also will be a meeting held between Chairman Espich, Bob Flynn (who has been involved with upkeep of the trails for many years), John Beebe, Eric Sanderson, and Ms. Montenegro prior to February 22nd, the next regular Parks and Recreation Meeting, their goal is to come to a consensus so both groups can use and enjoy the park.

2. Polar Plunge

   Chairman Espich asked for updates on the carnival to go along with the Polar Plunge. Ms. Montenegro said that there has been a donation for 200 hot dogs and buns. Chairman Espich has not heard back on confirmation of a tent. Ms. Montenegro reported she has 17 confirmed plungers adding Nick Sebeasty to the list. Commissioner Nelson suggested putting the pledge forms on Facebook and that way they could be printed off. Commissioner Nelson reported he has the Hula Hoops & ropes (for tug of war). Ms. Montenegro also reported almost everything can be adapted to no snow. If it isn't cold enough Ice sculpting and ice skating would be the only thing that may have to be canceled. Ms. Montenegro said she spoke to the DPW about extending the ladder in order to give the jumpers something to grab onto getting out of the water.

DISCUSSION: None

PUBLIC COMMENTS: Several audience members, as they were leaving, thanked the commissioners for letting them speak.

ADJOURNMENT: **MOTION BY COMMISSIONER NELSON TO ADJOURN AT 7:06P.M.**
SUPPORTED BY COMMISSIONER WOODBURY, ALL AYES, MOTION CARRIED

Next meeting - Monday, February, 8, 2016 at 6 p.m. – Special meeting to discuss the Polar Plunge.

DRAFT

REGULAR MEETING MINUTES
OWOSSO DDA / MAIN STREET
Council Chambers, City Hall
February 3, 2016 – 7:30 am.

MEETING CALLED TO ORDER at 7:52 a.m. by Bill Gilbert.

ROLL CALL was taken by Executive Director Josh Adams.

MEMBERS PRESENT: Vice-Chairman Bill Gilbert, Authority Members Kevin Wiles, Ken Cushman, Lance Omer, Shar Haskins

MEMBERS ABSENT: Chairman Dave Acton, Authority Members Ben Frederick, Theresa Trecha

OTHERS PRESENT: Josh Adams, Main Street Manager; Susan Montenegro, City of Owosso

AGENDA:
MOTION BY AUTHORITY MEMBER WILES SUPPORTED BY AUTHORITY MEMBER CUSHMAN TO APPROVE THE AGENDA FOR FEBRUARY 3, 2016.
YEAS ALL. MOTION CARRIED.

MINUTES:
MOTION BY AUTHORITY MEMBER WILES, SUPPORTED BY AUTHORITY MEMBER CUSHMAN TO APPROVE THE MINUTES FOR THE MEETING OF DECEMBER 2, 2015
YEAS ALL. MOTION CARRIED.

PUBLIC / BOARD / STAFF COMMENTS:

None

COMMITTEE UPDATES

1) Design

Still pending state approval on the wayfinding signs.

Flower program sponsorship letters have been drafted and will be sent out soon.

Committee worked with Michigan Main Street (MMS) to select 3 downtown properties to receive free façade design services: 115 N. Washington St; 216 W. Main St; and 112 N. Washington St.

2) Economic Restructuring

The Committee met in January and discussed work plans for the next fiscal year. They agree that maintaining the same work plans as the prior year will be beneficial. It will allow them to implement the “Ask Owosso Team” and grow the Business Recruitment plan into a larger scope of work.

A special meeting will be taking place with MMS on Friday, February 26th from Noon – 1pm at the Hot Spot Lounge to discuss Succession Planning for small businesses. MMS is

collaborating with Owosso Main Street to explore the viability of such services to other Main Street communities throughout the state.

3) Organization

The committee met in January with 3 new committee members. The meeting consisted of informal training educating new members about the Main Street program and its history in Owosso.

MMS will be in town on February 25th to formally train all new committee members.

4) Promotion

The committee met in January and discussed the upcoming calendar of events in the downtown district. The first major event is on Saturday, February 13th from 10am – 2pm = The Chocolate Walk.

Over 18 people attended January's Business Owners meeting. Owners also discussed upcoming events along with marketing, cross-collaboration, and a proposed, future advertising campaign that would involve YouTube.

ITEMS OF BUSINESS:

1. CHECK REGISTER APPROVAL.

SEE BOARD PACKET FOR CHECK REGISTER

MOTION BY AUTHORITY MEMBER OMER, SUPPORTED BY AUTHORITY MEMBER WILES TO APPROVE THE CHECK REGISTER FOR JANUARY 2016 AS PRESENTED.
YEAS ALL. MOTION CARRIED.

2. BUDGET REPORT/BUDGET UPDATES

The board reviewed the budget, no comments made.

3. OMS INDEPENDENT AUDIT REPORT

Mr. Adams introduced the independent audit conducted by the Rehmann Group. This is the yearly audit reviewing the financials of the program. Mr. Adams point out two points to of the audit:

- OMS had an increase in fund balance this past year of $24,722.00; and
- Rehmann found one error in the program's record keeping. An entry of the Wesener DDA loan payment was entered into the system wrong (interest & principal were not separated). This error has already been fix by the OMS accountant & the proper journal entries have been filed.

4. NEW OMS/DDA TREASURER

Upon talks with the board and OMS staff, Ken Cushman has agreed to become the OMS/DDA Treasurer.

MOTION BY AUTHORITY MEMBER WILES, SUPPORTED BY AUTHORITY MEMBER OMER TO APPROVE AUTHORITY MEMBER KEN CUSHMAN AS TREASURER.
YEAS ALL. MOTION CARRIED.

5. FAÇADE GRANT UPDATE

Ms. Montenegro stated that everything is on schedule. The City and prospective property owners will be meeting with an architect in the weeks to come to start collecting costs for each property.

6. APPLICATION-BASED SERVICES

Mr. Adams introduced the MMS Application-Based services offered by the state program this year. Some of the applications for services require a board vote to pursue them. Mr. Adams recommended a vote to approve the completion of all applications for submission to MMS.

MOTION BY AUTHORITY MEMBER CUSHMAN, SUPPORTED BY AUTHORITY MEMBER WILES TO APPROVE COMPLETION OF THE APPLICATION-BASED SERVICES AS PRESENTED.
YEAS ALL. MOTION CARRIED.

7. NEW OMS/DDA SECRETARY

Mr. Adam stated that the board needs to find a secretary for the organization now that former authority member Alaina Krauss in now gone.

Mr. Gilbert recommended getting quotes from the City to see how much they would charge to have staff take minutes during meetings.

8. NEXT MONTH: BUDGET APPROVAL

Mr. Adams reminded the board that next month’s meeting will be involve approving the budget for the next fiscal year.

PUBLIC / BOARD / STAFF COMMENTS:

None.

MOTION MADE BY OMER, SUPPORTED BY AUTHORITY MEMBER WILES TO ADJOURN AT 9:11 AM.
YEAS ALL. MOTION CARRIED.

_____
Josh Adams, Executive Director

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

To: Mayor Benjamin Frederick, City Council and City Manager Don Crawford
From: Larry Cook, Assessor
Date: February 12, 2016
Subject: March Board of Review – Assessment Changes

This is my annual memo of assessment changes and important law changes to be aware of. It will help prepare you for any questions you may have yourself or might receive from residents of the city regarding their Change of Assessment Notices. The annual assessment notices for 2016 are scheduled to be mailed no later than February 26th.

The **average** assessment adjustments for 2016 as determined by the Shiawassee County Equalization Department through sales and appraisal studies are listed below. Units of government are required to assess at 50% to value, per class. Within each class, (except the industrial class), there are multiple neighborhoods. Based on internal studies of those neighborhoods, (especially the residential class), there will be minimal adjustments in some neighborhoods and plus adjustments higher than average in others. The Equalization Ratios and average adjustments in all classes of property are the following:

Class	Adj. Ratio	Adj. %
Commercial	49.04	2.0%
Industrial	48.53	3.0%
Residential	48.91	2.2%

However, just because the assessment adjustments are higher in some neighborhoods, the taxable value is limited to the Consumer Price Index, (unless there is new construction, additions, or transfer in ownership explained later in this memo). The 2016 Consumer Price Index (CPI) is 0.3%. The formula for determining the taxable value based on this year's CPI is as follows:

2015 Taxable Value – Losses X 1.003 + Additions = 2016 Cap Value
Taxable value is the lesser of either the Cap Value or the Assessed Value.

Example: Your 2015 assessed and taxable values are both $35,000. The adjustment in your neighborhood for this year is 4%, making your 2016 assessed value $36,400. Your taxable value using the above mentioned formula would be:

$35,000 – (Losses) $0 X 1.003 + (Additions) $0 = (Cap Value) $35,105
Your 2016 Values = $36,400 assessed & $35,105 taxable

Losses are a **physical** loss due to fire, demo, etc. Additions are a **physical** new such as new house, additions, garages, porches, decks, heating & cooling upgrades, etc.

However, the formula for determining taxable value is not applicable if there is a qualified transfer. The law states that the taxable value and the assessed value shall be one in the same for the year following a transfer. If there was a qualified transfer in 2015, the 2016 assessed and taxable values will be the same.

March Board of Review Schedule:

Organizational Meeting: Tuesday March 8, 2016 at 3:00 p.m.
Appeals Meeting: Monday, March 14, 2016, 9:00 a.m.-12:00noon & 1:00p.m.-4:00p.m.
Appeals Meeting: Tuesday, March 15, 2016, 1:00p.m.-4:00p.m. & 6:00p.m.-9:00p.m.

Very Important:
An appeal on residential properties must be made to the local board of review in person or by letter to reserve the right for further appeal to the Michigan Tax Tribunal.

The **Veteran's Exemption**, was expanded late 2013 for honorably discharged disabled veterans who meet one of the following criteria:

(a) Has been determined by the United States Department of Veteran's Affairs to be permanently and totally disabled as a result of military service and entitled to veteran's benefits at the 100% rate.
(b) Has a certificate from the United States Veteran's Administration, or its successors, certifying that he or she is receiving or has received pecuniary assistance due to disability for specially adapted housing.
(c) Has been rated by the United States Department of Veterans Affairs as individually unemployable.

The unremarried surviving spouse of the disabled veteran is eligible for the exemption based upon the eligibility of their spouse; therefore the spouse must also be a Michigan resident. The exemption will continue only as long as the surviving spouse remains unremarried.

This exemption can be addressed by the March, July, and December Board of Review.

The **Eligible Personal Property Exemption**, new for 2014 eliminates personal property tax for businesses with personal property valued less than $80,000. Some of the basic requirements to qualify for this exemption are:

(a) Exemption must be properly claimed by filing **annually**, not later than February 10th of each year. Local Board of Review has no authority to approve late filings. The State Tax Commission has determined that annually filing by February 10th, means postmarked by February 10th.
(b) The property must be classified as industrial personal property or commercial personal property.
(c) The combined **True Cash Value** of all the personal property owned by, leased by, or in the possession of the owner or a related entity is **less than $80,000** in the local tax collecting unit.

Beginning in 2016, personal property tax on **Eligible Manufacturing Personal Property, (EMPP),** will be reduced and eventually eliminated over the next few years. This tax will be replaced by an **Essential Services Assessment, (ESA)**. This assessment will be paid to and distributed by the State of Michigan. It is uncertain the amount to be paid to each local unit for a couple reasons:

-We do not know how many manufacturers qualify; and
-We do not know how many will file the **Form 5278, Affidavit and Statement for Eligible Manufacturing Personal Property and Essential Services Assessment**.

This new form **must** be filed with the local unit assessor's office by February 20th, (22nd for 2016), a postmark is not recognized. There is no appeal for late filed Form 5278 Affidavits. Local units are not required to provide this new form. Qualified manufacturers are advised by the State Tax Commission that the form can be found at www.michigan.gov/PPT or www.michigan.gov/ESA.