

**CITY OF OWOSSO  
REGULAR MEETING OF THE CITY COUNCIL  
MINUTES OF MAY 16, 2016  
7:30 P.M.**

**PRESIDING OFFICER:** MAYOR BENJAMIN R. FREDERICK

**OPENING PRAYER:** PASTOR DEB GRAZIER  
FIRST CONGREGATIONAL CHURCH

**PLEDGE OF ALLEGIANCE:** COUNCILWOMAN LOREEN F. BAILEY

**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 Mayor Pro-Tem Eveleth to approve the agenda with the following changes:

Move Presentation 1. Code Enforcement Presentation to be included with Item of Business 3.  
Add Item of Business 5. Purchase Agreement Extension – 1509 W. Oliver Street to the agenda.

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

**APPROVAL OF THE MINUTES OF SPECIAL MEETING OF APRIL 23, 2016**

Motion by Councilperson Fox to approve the Minutes of the Special Meeting of April 23, 2016 as presented.

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

**APPROVAL OF THE MINUTES OF SPECIAL MEETING OF APRIL 26, 2016**

Motion by Councilperson Bailey to approve the Minutes of the Special Meeting of April 23, 2016 as presented.

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

**APPROVAL OF THE MINUTES OF REGULAR MEETING OF MAY 2, 2016**

Motion by Councilperson Fox to approve the Minutes of the Special Meeting of April 23, 2016 as presented.

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

**PROCLAMATIONS / SPECIAL PRESENTATIONS**

**Code Enforcement Presentation** (This item was addressed as a part of Item of Business 3.)

**PUBLIC HEARINGS**

**Obsolete Property Rehabilitation Exemption Certificate – REI Group, LLC**

City Assessor Larry D. Cook briefly detailed the abatement schedule noting that the applicant qualified for a 14-year exemption but the law allowed a maximum of 12.

A Public Hearing was conducted to receive citizen comment regarding the application from REI Group, LLC for an Obsolete Property Rehabilitation Exemption Certificate for their property at 300 West Main Street.

There were no citizen comments received prior to, or during the meeting.

Motion by Mayor Pro-Tem Eveleth to authorize the following resolution approving an Obsolete Property Rehabilitation Exemption Certificate for REI Group, LLC for a period of 12 years:

**RESOLUTION NO. 45-2016**

**TO APPROVE THE APPLICATION FOR AN  
OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE  
FROM OWOSSO REI GROUP, LLC  
FOR PROPERTY LOCATED AT  
300 W. MAIN STREET**

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

WHEREAS, after public notice and a public hearing on April 18, 2016, the City Council of the City of Owosso approved an Obsolete Property Rehabilitation District at 300 W. Main Street in Owosso, Michigan. As provided by section 4(2) of Public Act 146 of 2000, said property more particularly described as:

PART OF ORIGINAL PLAT DESCRIBED AS; SOUTH 1/2 BLOCK 24 & SOUTH 10'  
OF NORTH 1/2 BLOCK 24, ALSO ADJACENT RESERVE 1, LYING BETWEEN  
EAST BANK OF SHIAWASSEE RIVER AND SAID DESCRIPTION

WHEREAS, the City Clerk received an application on March 11, 2016 from Randy Woodworth, authorized agent for Owosso REI Group, LLC owners of the property, for an Obsolete Property Rehabilitation Exemption Certificate; and

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

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

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

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

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED that, based on the findings above made at public hearing, the City Council of the City of Owosso authorizes the application for an Obsolete Property Rehabilitation Exemption Certificate at 300 W. Main Street for a period of twelve (12) years; and

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

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

Motion supported by Councilperson Fox.

Roll Call Vote.

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

NAYS: None.

**Rezoning - 1007 S. Washington Street**

A Public Hearing was conducted to receive citizen comment regarding the request to rezone the property at 1007 South Washington Street from B-1, Local Business District, to B-4, General Business District.

The following people commented regarding the proposed rezoning:

Bob Moberg, 938 S. Saginaw Street, said his home is 1 block away from the property in question and he objected to the proposed change in zoning. He said the B-4 zoning designation opens the parcel up to all kinds of different purposes, purposes that would change the character of the residential neighborhood behind the property. (Mr. Moberg and his wife also submitted a letter to the same effect prior to the meeting.)

Troy Crowe, petitioner, indicated that the request for rezoning was due to the fact that the State requires a B-4 zoning designation for the issuance of a vehicle dealer license. He went on to say that 95% of his auctions are conducted on-line and the property will be used primarily as a staging area for farm equipment slated for auction. He said he doesn't have any plans to have live auctions at the site and all traffic to the business will be funneled in off of Washington Street and not through the neighborhood behind the property.

There was a brief discussion between the Council and Mr. Crowe about his plans for the property, including the adjoining lots he owns behind the Washington Street lot on which he plans to construct a large pole building. It was noted that a rezoning request for the adjoining lots will be put before the Planning Commission for consideration, but that tonight's decision only involves the parcel fronting Washington Street.

Mr. Moberg wanted to know what the future will bring if the parcel in question changes to B-4.

Mayor Frederick noted that construction of the planned pole building would require a site plan review, through which the Planning Commission could require a buffer between the property and the adjoining residential parcels.

Mayor Pro-Tem Eveleth indicated the change to a B-4 zoning designation would allow Mr. Crowe to continue doing what he's already doing.

Whereas, the Council, after due and legal notice, has met and having heard all interested persons, motion by Mayor Pro-Tem Eveleth that the following ordinance be adopted:

**ORDINANCE NO. 778**

**AMENDING CHAPTER 38 ZONING OF THE CODE OF ORDINANCES  
TO REZONE A PARCEL OF REAL PROPERTY  
ON 1007 S. WASHINGTON STREET  
AND AMEND THE ZONING MAP**

WHEREAS, the city of Owosso received a petition from a land owner of real property identified as 1007 South Washington Street and described as: LOTS 22-24 BLK 11 A L WILLIAMS 2<sup>ND</sup> ADD INCLUDG ½ CLSD ALLEY, to rezone the parcel from B-1 Local Business District to B-4 General Business District; and

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

WHEREAS, the city staff and planning commission recommend, without reservations or conditions, the rezoning of parcel commonly known as 1007 S. Washington Street from B-1 Local Business District to B-4 General Business District; and

WHEREAS, the City Council held a public hearing May 16, 2016 and having heard all interested persons and deliberated on the request; and

WHEREAS, the City Council find that the zoning petition meets the intent and criteria for a zoning map amendment, specifically as it relates to the requirements of Section 38-555 of the Code of Ordinances of the City of Owosso.

NOW THEREFORE, BE IT RESOLVED, THAT THE CITY OF OWOSSO ORDAINS:

SECTION 1. OFFICIAL ZONING MAP AMENDMENT. That Chapter 38, Zoning, Sec. 38-27, Zoning Districts and Map, reflect the following change to be noted on the official map and filed with the city clerk:

<b>Parcel Address</b>	<b>Parcel Number</b>	<b>Current Zoning</b>	<b>Amended Zoning</b>
1007 S. Washington St.	050-652-011-013-00	B-1 Local Business	B-4 General Business

SECTION 2. AVAILABILITY. This ordinance may be purchased or inspected in the city clerk's office, Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

SECTION 3. EFFECTIVE DATE. This amendment shall become effective June 6, 2016.

Motion supported by Councilperson O'Leary.

Roll Call Vote.

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

NAYS: None.

### **CITIZEN COMMENTS AND QUESTIONS**

Shiawassee County Clerk Lauri Braid made a brief presentation regarding the purchase of new voting equipment, indicating that all jurisdictions in the county must support the purchase to receive the grant funding available. She noted that the State has set aside funding for the grant but the budget has yet to be approved.

Tom Manke, Owosso Township resident, indicated he will now start video-taping City Council meetings as he felt that the audio recording of the May 2, 2016 meeting was intentionally destroyed before it could be heard by the public. He also noted that he felt there was collusion on the part of staff and Council in the hire of the new building inspector.

Mayor Frederick indicated Mr. Manke's video camera was welcome.

Bob Fountain, 930 North Park Street, commented regarding the 2 silver maples in his front yard saying his sewer is frequently blocked by roots from the trees and his house has been damaged by branches from the trees. He said he would like to see them removed before he has new water and sewer lines installed later this month. Mayor Frederick indicated that the Council recently made adjustments to the Tree Removal Policy allowing the removal of healthy City trees under certain circumstances and that staff would work with him if that was what he desired to do.

### **CITY MANAGER REPORT**

City Manager Crawford indicated he had nothing to report at this time.

Councilperson Fox asked that gravel be added to the parking lot on Curwood Castle Drive to alleviate the need to park on the street. He also asked staff to look into an ordinance prohibiting the parking of semi tractors in residential areas. And he noted that he would like to see Knox Boxes required on all industrial buildings to allow the Fire Department easy access in the case of an emergency.

Mayor Frederick asked staff to look into improving the parking lot on Curwood Castle Drive and investigate the semi tractor issue, reporting back to Council at the next meeting.

### **CONSENT AGENDA**

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

**Purchase Authorization – Influent Screw Pump Gear Box.** Waive competitive bidding requirements, authorize purchase of one Dodge screw pump gear box from Motion Industries, Inc. in the amount of \$9,072.21, and authorize payment up to that amount upon satisfactory delivery, installation, and startup of said equipment as follows:

#### **RESOLUTION NO. 46-2016**

#### **AUTHORIZING PURCHASE AND PAYMENT TO MOTION INDUSTRIES, INC. FOR PURCHASE OF ONE DODGE SCREW PUMP GEAR BOX AT THE WASTEWATER TREATMENT PLANT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Wastewater Plant Replacement Fund for the replacement of a screw pump gear box in line with the plant's preventive maintenance program, and

WHEREAS, the existing gear box has not performed to the manufacturer's service life expectations, and the replacement of this unit with original manufacturer replacement components has been suggested, and

WHEREAS, three quotes were sought for said equipment and Motion Industries, Inc. has provided the lowest competitive and responsible quoted price in the amount of \$9,072.21; and

WHEREAS, the City Utilities Director has reviewed the proposal, verified the replacement components needed to restore the screw pump to full capacity, and recommends authorizing Motion Industries, Inc. to provide the required Dodge gear box in an amount not to exceed \$9,072.21.

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

- FIRST: The city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to contract with Motion Industries, Inc. for the purchase of one Dodge screw pump gear box for use at the Wastewater Treatment Plant.
- SECOND: The accounts payable department is authorized to submit payment to Motion Industries, Inc. in an amount not to exceed \$9,072.21 upon delivery, installation and startup of said equipment as quoted February 16, 2016.
- THIRD: The above expenses shall be paid from account no. 599-901-977000.

**\*Bid Award – Qdoba Excavation Shoring.** Approve contract with Environmental Advisory Services, Inc. dba ASI Environmental Technologies for installation of excavation shoring at the future Qdoba site in the amount of \$402,697.50, and authorize payment upon satisfactory completion of the work or portion thereof as follows:

**RESOLUTION NO. 47-2016**

**AUTHORIZING THE EXECUTION OF A CONTRACT FOR  
THE FORMER EASTSIDE CLEANERS  
EXCAVATION SHORING INSTALLATION  
WITH ENVIRONMENTAL ADVISORY SERVICES, INC.  
D/B/A ASI ENVIRONMENTAL TECHNOLOGIES**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has determined that redevelopment of the former Eastside Cleaners location, also known as the Qdoba project, is necessary and in the public interest; and

WHEREAS, the city of Owosso sought bids for the excavation shoring installation work; a bid was received from Environmental Advisory Services, Inc. dba ASI Environmental Technologies; and it is hereby determined that ASI Environmental Technologies is qualified to provide such services and that it has submitted the lowest bid.

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

- FIRST: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to employ Environmental Advisory Services, Inc. dba ASI Environmental Technologies for the excavation shoring installation work to be performed at the former Eastside Cleaners location.
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached as Exhibit A, Contract for Services between the City of Owosso, Michigan and ASI Environmental Technologies in the amount of \$402,697.50.
- THIRD: The accounts payable department is authorized to pay ASI Environmental Technologies up to the contract amount upon satisfactory completion of the project or portion thereof.
- FOURTH: The above expenses shall be paid from the District #16 Qdoba OBRA Fund, account 276-000-401407.

**\*Professional Services Agreement – Well No. 1 Rehabilitation.** Waive competitive bidding requirements, authorize professional services agreement with Layne Christensen Company for rehabilitation of Water Well No. 1 in an amount not to exceed \$28,200.35, and further authorize payment upon satisfactory completion of the project as follows:

**RESOLUTION NO. 48-2016**

**AUTHORIZING SERVICE AGREEMENT AND PAYMENT TO  
LAYNE CHRISTENSEN COMPANY  
FOR REHABILITATION OF LAYNE WELL NO. 1  
AT THE WATER FILTRATION PLANT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Water Filtration Plant Replacement Fund for the rehabilitation of Production Well No.1 in line with the plant's preventive maintenance program, and

WHEREAS, the well was inspected and tested by Layne Christensen at a cost of \$385.00 in accordance with a purchase order issued subsequent to a competitive request for quotation process, and this inspection process determined the need for replacement parts, labor, and analysis for rehabilitation, as detailed on the April 16, 2016 quotation from Layne Christensen Company in the amount of \$25,700.35; and

WHEREAS, the City Utilities Director has reviewed the proposal and verified the parts and services needed to restore the well to full capacity, and recommends authorizing Layne Christensen Company to perform the work in the amount of \$25,700.35 plus contingency funds in the amount of \$2,500.00, with payment in an amount not to exceed \$28,200.35 upon satisfactory completion and re-installation.

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

FIRST: The city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to contract with Layne Christensen Company for the rehabilitation of Layne Production Well No. 1 at the Water Filtration Plant, and to waive the competitive bidding requirement for said services.

SECOND: The accounts payable department is authorized to submit payment to Layne Christensen Company in an amount not to exceed \$28,200.35 upon satisfactory completion of the work in accordance with their quotation dated April 16, 2016.

THIRD: The above expenses shall be paid from account no. 599-901-977000.

**Warrant No. 523.** Authorize Warrant No. 523 as follows:

Vendor	Description	Fund	Amount
Michigan Municipal League Workers' Compensation Fund	Workers' Compensation Insurance- 1 of 4 for FY 16/17	Various	\$ 20,062.00
Orchard Hiltz & McCliment Inc	Water reliability study	Filtration	\$ 867.50
B S & A Software	Annual service/support fees- Building department / Delinquent personal property system / Internet services- 5/1/16 - 4/31/17	General	\$ 8,102.00
Waste Management	Landfill disposal charges- 4/16/16 - 4/30/16	Streets/ WWTP	\$ 6,166.08
Reeves Wheel Alignment Inc.	Public safety vehicle maintenance April 2016	General	\$ 5,145.95
Centron Data Services, Inc.	Water/sewer billing services-to correct billing error for the 3/31/16 mailing	Various	\$ 745.54
Orchard Hiltz & McCliment Inc	Cargill project-engineering services	Brownfield	\$ 6,642.50
William C. Brown, P.C.	Professional services- April 12, 2016 – May 8, 2016	General	\$ 12,382.76

**\*Check Register – April 2016.** Affirm check disbursements totaling \$953,559.06 for April 2016.

Motion supported by Mayor Pro-Tem Eveleth.

Roll Call Vote.

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

NAYS: None.

**ITEMS OF BUSINESS**

**Downtown Development Authority General Appropriations Resolution**

Motion by Mayor Pro-Tem Eveleth to adopt the General Appropriations Resolution to authorize the levy of the Downtown Development Authority millage for the 2016-2017 fiscal year as follows:

**RESOLUTION NO. 49-2016**

**GENERAL APPROPRIATIONS RESOLUTION FOR  
THE DOWNTOWN DEVELOPMENT AUTHORITY  
FOR FY 2016-17**

WHEREAS, the Authority board met to consider a proposed budget for fiscal year 2016-17, and after deliberations and public input approved a budget; and

WHEREAS, the Owosso City Council held a public hearing on the proposed budget on May 2, 2016 and there was no one to be heard; and,  
WHEREAS, it is the intent of the Downtown Development Authority to levy a tax for general operating purposes pursuant to Public Act 197 of 1975 based on the budget summary attached hereto and made part hereof; and

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

WHEREAS, the millage reduction commonly known as the "Headlee" rollback results in a maximum operating millage rate of 1.9328 for which the Authority is authorized to levy,

NOW THEREFORE, BE IT RESOLVED, that the tax levy for the fiscal year commencing July 1, 2016 shall be the rate of 1.9328 per \$1,000 of taxable value of the 2016 assessment roll for the district as approved by the Board of Review,

The levy will generate a revenue yield for operating purposes as follows:

GENERAL OPERATING	1.9328 MILLS	\$28,825
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Motion supported by Councilperson Bailey.

Roll Call Vote.

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

NAYS: None.

**2016-17 City Budget Adoption**

Councilperson Fox inquired how much was being levied for the Garbage Disposal Plants Act (which funds the brush pickup program.) City Manager Crawford indicated 2 mills would be levied. (Further examination of the appropriations resolution indicates the levy is actually 1 mill.)

Motion by Mayor Pro-Tem Eveleth to adopt the General Appropriations Resolution approving the 2016-2017 City Budget as follows:

**RESOLUTION NO. 50-2016**

**GENERAL APPROPRIATIONS RESOLUTION  
FOR FY 2016-17**

WHEREAS, pursuant to Chapter 8, Section 5 of the Owosso City Charter, the City Council has received the proposed budget for the fiscal year beginning July 1, 2016 and held a public hearing on May 2, 2016; and

WHEREAS, there was no one to be heard it is the intent of the City Council to levy ad valorem and specific property taxes for general operating purposes of the City; for payment of principal and interest on voted indebtedness; and for special voted millage to support public transportation, based on the budget summary for fiscal year 2016-17 attached hereto and made part hereof; and

WHEREAS, the general property tax laws, specifically, MCL 211.34(d) provide for a compound millage reduction calculation applied to the City Charter maximum authorized operating millage rate of 15.0000 mills per thousand of taxable value; and

WHEREAS, this millage reduction commonly known as the Headlee rollback results in a maximum operating millage rate of 13.0370 for which the City is authorized to levy; and

WHEREAS, the Garbage Disposal Plants Act, MCL 123.261, allow for the City to levy up to three mills on all taxable property to provide for the collection and disposal of certain solid wastes; and

WHEREAS, it has been determined that a levy of one mill per \$1,000 of taxable value is required to operate a solid waste recycling program; and

WHEREAS, the voters approved, by a majority, in an election held on August 7, 2012, a millage, not to exceed .3333 mills per \$1,000 of taxable value to support public transportation; and

WHEREAS, the board of the Shiawassee Area Transportation Authority have requested funding from the City equating to a millage of .3127 mills per thousand of taxable value for which the City is authorized to levy; and

WHEREAS, it has been determined that a millage rate of .5530 mills per thousand of taxable value is required for the annual debt service on unlimited tax general obligations bonds;

NOW THEREFORE, BE IT RESOLVED, that the tax levy for the fiscal year commencing July 1, 2016 shall be the rate of 14.9027 per \$1,000 of taxable value of the 2016 assessment roll as approved by the Board of Review; and

The total levy shall be composed of the constituent rates for purposes and with revenue yields described as follows:

GENERAL OPERATING	13.0370	\$3,134,894
GARBAGE DISPOSAL	1.0000	\$240,461
DEBT SERVICE	.5530	\$132,975
SATA	<u>.3127</u>	<u>\$72,203</u>
	14.9027	\$3,580,533

**2016-17 BUDGET SUMMARY**

FUND	DESCRIPTION	2014-15 ACTUAL	2015-16 ORIGINAL BUDGET	2015-16 THRU 02/29/16	2016-17 ADOPTED BUDGET
101	GENERAL FUND	6,643,891	6,833,200	4,542,291	7,723,050
202	MAJOR STREET FUND	977,303	860,550	458,929	1,495,825
203	LOCAL STREET FUND	710,487	542,575	274,748	474,500
273	CDBG REVOLVING LOAN FUND	22,886	35,250	3,500	21,000
275	HOUSING & REDEVELOPMENT	41,618	230,650	33,449	283,200
283	OBRA FUND-DISTRICT#3-CONAGRA	14,847	12,350		15,900
288	OBRA FUND-DISTRICT#8:SUGARBEET	400	6,500		2,101,700
289	OBRA:DISTRICT#9(ROBBIN'S LOFT)	1,050	2,225		3,375
291	OBRA FUND-DIST#11(CAPITOL BOWL)	13,252	9,525		10,300
292	OBRA FUND-DIST#12(WOODARD LOFT	39,277	37,725		69,700
293	OBRA-DIST#13 WESNER BUILDING		775		1,525
296	DOWNTOWN DEVELOPMENT AUTHORITY	186,764	177,225	89,965	189,925
325	DEBT SERVICE-2010 GO BONDS	57,133	56,650	38,451	65,950
327	2013 UTGO	70,382	62,850	43,850	67,025
397	2009 LTGO DEBT	74,135	77,800	19,594	76,825
411	CAPITAL PROJECTS-2011 STREET PROGRAM	80,625	37,600		850
588	TRANSPORTATION FUND	62,101	76,100	71,136	72,225
590	SEWER FUND	1,487,179	1,700,000	959,754	3,313,375
591	WATER FUND	2,199,443	3,486,000	1,486,344	5,136,875
599	WASTEWATER FUND	1,693,361	2,048,000	828,697	3,322,050
661	FLEET MAINTENANCE FUND	422,771	758,475	238,894	817,025

Motion supported by Councilperson O'Leary.

Roll Call Vote.

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

NAYS: None.

**Review of Code Enforcement Practices**

Housing Program Manager Tyler J. Leppanen gave a presentation outlining the prevalent code enforcement issues that are readily visible around the City and what can be done to help remedy the situation. He showed many, many pictures of violations he encountered along his route to investigate a complaint. He indicated he would like Council's support for a more robust, proactive program to reduce the prevalence of violations. He went on to outline the program saying it would consist of three phases, with phase 3 going into effect at the start of the new year:

1. Educate
2. Notify
3. Enforce



The Council expressed particular concern with the staff time that would be necessary to conduct a proactive code enforcement program. They indicated they were interested in proactively educating the public on common code enforcement violations and the development of assistance/incentive programs to help residents tackle their code violations, but stopped short of expressing support for a full proactive code enforcement program. They asked that Mr. Leppanen to report back to them at a future meeting when he had had the opportunity to flesh out the education and incentive components more fully.

**Final Sale Approval – Auction Parcels**

Motion by Mayor Pro-Tem Eveleth to grant final approval for the sale of the parcels auctioned on May 12, 2016, contingent upon staff approval of the purchase agreements as follows:

**RESOLUTION NO. 51-2016**

**AUTHORIZING FINAL APPROVAL OF THE SALE OF CITY-OWNED PROPERTIES**

WHEREAS, the city owns various parcels of property listed in Exhibit A; and

WHEREAS, the parcels in question are of no use to the City and the City desires their sale; and

WHEREAS, the Owosso city council voted to sell the parcels listed in Exhibit A through an online auction ending May 12, 2016; and

WHEREAS, at the meeting of March 7, 2016 the City Council authorized a 21-day posting period for the proposed sale; and

WHEREAS, no citizen comments or other offers for the properties were received during the posting period; and

WHEREAS, the auction has now concluded and final approval of the sale of the properties must now be considered.

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

- FIRST: the properties be sold to the buyers listed in Exhibit A for the bid price listed in Exhibit A in accordance with the terms included in the attached Auction Listing Agreement for Sale of Real Estate and/or Personal Property agreement approved March 7, 2016 with Sheridan Realty & Auction Company.
- SECOND: the city attorney is authorized to prepare the deeds for sale as listed in Exhibit A.
- THIRD: the Mayor and City Clerk are instructed and authorized to execute appropriate documents to execute the sale of each property.

**EXHIBIT A**

**AUCTION RESULTS FOR VARIOUS CITY-OWNED PARCELS**

City Council authorized using an online auctioning service through Sheridan Realty & Auction Company to auction off various city-owned parcels. The auction started on March 28, 2016, and ended May 12, 2016 in which 23 of the 27 lots received bids as demonstrated below.

Auction No.	Parcel Number	Address	Bid Price	Buyer's Premium	Total	Buyer Name
10	050-010-033-021-00	Wright Av	\$ 200.00	\$ 750.00	\$ 950.00	Charles Munsell
11	050-011-021-002-00	S. Gould	\$ 20,000.00	\$ 2,000.00	\$ 22,000.00	Anonymous
12	050-113-011-019-00	Rain St	\$ 500.00	\$ 750.00	\$ 1,250.00	Richard Marlow
13	050-113-011-017-00	Rain St	\$ 200.00	\$ 750.00	\$ 950.00	Eric Carlson
14	050-113-011-018-00	Rain St	\$ 225.00	\$ 750.00	\$ 975.00	Jim Woodworth
15	050-350-000-001-00	South St	\$ 225.00	\$ 750.00	\$ 975.00	RJ Allen
16	050-350-000-002-00	South St	\$ 225.00	\$ 750.00	\$ 975.00	RJ Allen
17	050-350-000-003-00	South St	\$ 200.00	\$ 750.00	\$ 950.00	Jim Woodworth
18	050-350-000-004-00	South St	\$ 200.00	\$ 750.00	\$ 950.00	Jim Woodworth
19	050-350-000-005-00	South St	\$ 200.00	\$ 750.00	\$ 950.00	Jim Woodworth
20	050-350-000-006-00	W South St	NO BIDS RECEIVED, PARCEL REMAINS UNSOLD			
21	050-350-000-007-00	W South St	NO BIDS RECEIVED, PARCEL REMAINS UNSOLD			
22	050-350-000-011-00	South St	\$ 300.00	\$ 750.00	\$ 1,050.00	Jim Woodworth

Auction No.	Parcel Number	Address	Bid Price	Buyer's Premium	Total	Buyer Name
23	050-420-001-003-00	520 Corunna Av	NO BIDS RECEIVED, PARCEL REMAINS UNSOLD			
24	050-420-001-004-00	Corunna Av	NO BIDS RECEIVED, PARCEL REMAINS UNSOLD			
25 & 26	050-420-003-015-00 & 050-420-003-016-00	Lingle/Monroe	\$ 300.00	\$ 750.00	\$ 1,050.00	Steven Janes
27	050-430-000-002-00	425 Hamblin	\$ 200.00	\$ 750.00	\$ 950.00	Barb Terpstra
28	050-430-000-003-00	429 Hamblin	\$ 200.00	\$ 750.00	\$ 950.00	Barb Terpstra
29	050-560-000-059-00	Ward / Irene	\$ 200.00	\$ 750.00	\$ 950.00	Carl Ludington
30	050-602-038-001-00	South St.	\$ 350.00	\$ 750.00	\$ 1,100.00	Brandon Lepior
31	050-602-039-001-00	South / Short	\$ 575.00	\$ 750.00	\$ 1,325.00	Brandon Lepior
32	050-602-039-004-00	South St.	\$ 400.00	\$ 750.00	\$ 1,150.00	Brandon Lepior
33	050-602-039-006-00	South St.	\$ 200.00	\$ 750.00	\$ 950.00	Brandon Lepior
34	050-660-007-017-00	Beehler	\$ 275.00	\$ 750.00	\$ 1,025.00	Gregory Gilbert
35	050-660-011-001-00	N. Cedar / River	\$ 275.00	\$ 750.00	\$ 1,025.00	Paul Mael
36	050-470-000-011-00	300 S Washington	\$ 19,500.00	\$ 1,950.00	\$ 21,450.00	Anonymous
<b>Totals</b>			<b>\$ 44,950.00</b>	<b>\$ 18,950.00</b>	<b>\$ 63,900.00</b>	

Motion supported by Councilperson O'Leary.

Prior to the vote Councilperson Fox expressed his concern that some of the prices were extremely low and the Council should consider the possible rejection of those offers. Sheridan Auctions representative Troy Crowe indicated he felt the quality of the lots auctioned had a direct bearing on the prices received. He went on to say that of the 4 parcels that received no bid he felt he could negotiate the sale of two of the parcels. Mayor Frederick noted that he was comfortable with the outcome, as it removed the City's need to maintain the parcels and put them back on the tax rolls.

Roll Call Vote.

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

NAYS: Councilperson Bailey.

**\*Purchase Agreement Extension – 1509 W. Oliver Street** (This item was added to the agenda.)

Due to delays with the State approval of the Brownfield Plan for the site a third extension of the purchase agreement was requested by Cargill, Incorporated.

Motion by Mayor Pro-Tem Eveleth to authorize the third extension of the purchase agreement with Cargill, Incorporated for the property located at 1509 W. Oliver Street as follows:

**RESOLUTION NO. 52-2016**

**THIRD AMENDMENT TO SALE AND PURCHASE OF PROPERTY AGREEMENT  
WITH CARGILL, INCORPORATED  
FOR THE PROPERTY LOCATED AT 1509 WEST OLIVER STREET**

WHEREAS, the city entered into a purchase agreement with Cargill, Incorporated on June 15, 2015 to sell a vacant industrial-zoned 19.118 acre parcel commonly known as 1509 West Oliver Street and described as follows:

PART OF S W 1/4 & PART OF SE FR 1/4 SEC 14 T7N R2E BEG AT CEN POST, TH S 1\*32 1/2' W 33', TH E 418.73', TH S 42\*07' E 1066.59', TH N 48\*30' E 34.45', TH S 43\*23' E 177.7' TH S 46\*45' E 180', TH S47\*52'47"W 52.92', TH S47\*07'00"E 146.16', TH ON A CURVE TO THE LEFT HAVING A RADIUS OF 245', A DELTA ANGLE OF 38\*22'13" AND A CHORD BEARING AND DISTANCE OF S61\*18'07"E 161.02', TH ON A CURVE TO THE LEFT HAVING A RADIUS OF 245', A DELTA ANGLE OF 09\*29'47" AND A CHORD BEARING DISTANCE OF S85\*14'07"E 40.56', TH S89\*59'00"E 154.05', TH ON A CURVE TO THE RIGHT HAVING A RADIUS OF 305.00, A DELTA ANGLE OF 36\*33'20" AND A CHORD BEARING AND DISTANCE OF S71\*42'20"E 191.31' TO THE EAST AND WEST 1/8 LINE IN THE SE 1/4 OF SAID SEC 14, TH N 89\*59' W ALG 1/8 LN 1026.59' TO NE LN OF AARR R/W, TH N40\*33 1/2 W ALONG SAID R/W LN TO N-S 1/4 LN, TH N TO BEG. (EX EASMT FOR POWER LNS CON POWER CO.)

and

SEC 14, T7N, R2E ALL THAT PART OF THE SW ¼ OF SEC 14 LYING NE'LY OF AARR R/WY; and

WHEREAS, the original purchase agreement stipulated a 180-day period for Cargill, Incorporated to conduct its due diligence; and

WHEREAS, the Council has agreed on two occasions to extend the due diligence period to allow ample opportunity for all parties involved to investigate the conditions and assemble plans for the property; and

WHEREAS, Cargill, Incorporated has realized the need to, once again, extend the due diligence period to June 15, 2016.

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

1. The due diligence period in Article VI, Section 6.1 of the Purchase Agreement is amended to extend the Due Diligence Period to June 15, 2016.
2. The Mayor and City Clerk are instructed and authorized to execute appropriate documents to amend this purchase agreement and execute the eventual sale.

Motion supported by Councilperson Bailey.

Roll Call Vote.

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

NAYS: None.

### **COMMUNICATIONS**

Keith A. Lussenden, Building Official. April 2016 Building Department Report.

Keith A. Lussenden, Building Official. April 2016 Code Violations Report.

Kevin D. Lenkart, Public Safety Director. April 2016 Police Report.

Kevin D. Lenkart, Public Safety Director. April 2016 Fire Report.

Parks & Recreation Commission. Minutes of April 25, 2016.

Planning Commission. Minutes of April 25, 2016.

### **CITIZEN COMMENTS AND QUESTIONS**

Tom Manke, Owosso Township resident, thanked the Council for not jumping into a proactive code enforcement program right away. He then recalled a story about a mentally ill man who had multiple code enforcement and health and safety problems on his property. Mr. Manke then began shouting from the podium that the Council was personally responsible for the tragic events that later occurred. Mayor Frederick warned Mr. Manke repeatedly that he was out of order and in violation of the Council's adopted Rules of Civility while also noting that the allegations made were completely ridiculous.

Eddie Urban, 601 Glenwood Avenue, announced that June 9<sup>th</sup> an event for low income residents will be held in McCurdy Park. The event will include a free lunch, the opportunity for a haircut, and a job fair.

Councilperson Fox expressed concerns with Mr. Manke's comments in regard to the Council's responsibility for the actions taken in the code enforcement case mentioned, saying the membership of the Council had changed since that issue was first addressed and some of the current members may not have been present.

Mayor Frederick again noted that Mr. Manke's allegations were completely absurd and such remarks should be of concern to all present.

Councilperson Bailey indicated the man's home was in terrible disrepair, to the point it was unlivable, and that measures had been taken to support him while the problems were addressed.

Councilperson O'Leary offered his expertise in code enforcement to Mr. Leppanen should he need it.

### **NEXT MEETING**

Monday, June 06, 2016

**BOARDS AND COMMISSIONS OPENINGS**

Board of Review – term expires December 31, 2020  
Building Board of Appeals – Alternate - term expires June 30, 2018

**ADJOURNMENT**

Motion by Mayor Pro-Tem Eveleth for adjournment at 9:06 p.m.

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

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Benjamin R. Frederick, Mayor

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Amy K. Kirkland, City Clerk

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