

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MONDAY, OCTOBER 03, 2016
7:30 P.M.**

**Meeting to be held at City Hall
301 West Main Street**

AGENDA

OPENING PRAYER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

APPROVAL OF THE AGENDA:

APPROVAL OF THE MINUTES OF REGULAR MEETING OF SEPTEMBER 19, 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.

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

None.

CITIZEN COMMENTS AND QUESTIONS

CITY MANAGER REPORT

1. Project Status Report



CONSENT AGENDA

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

Name	Board/Commission	Term Expires
Donald Crawford	Shiawassee River Trail Joint Powers Committee	TBD
Susan Montenegro	Shiawassee River Trail Joint Powers Committee - Alternate	TBD

2. Contract Extension – Auditing Services. Authorize a one year extension of the Professional Services Agreement with Rehmann Robson, PLLC for the provision of Financial Audit Services at a cost not to exceed \$22,600.00, and further authorize payment up to the extension amount upon successful completion of the audit.
3. Change Order No. 3 – Gould Street Resurfacing Contract. Authorize Change Order No. 3 to the Gould Street Resurfacing Contract with Pyramid Paving Company, decreasing the overall contract amount by \$73,938.55, amending the contract to include additional work due to conditions found in the field and balancing quantities of various contract pay items, and further authorize payment up to the amount of the change order upon satisfactory completion of the work.
4. Bid Award – Former Eastside Cleaners Vapor Barrier Installation. Approve bid award to TSP Services, Inc. dba TSP Environmental for the installation of a vapor barrier at the former Eastside Cleaners site in the amount of \$28,030.00 and further approve payment to the contractor upon completion of the project or portion thereof.
5. Bid Award — Ambulance Cot. Approve bid award to Kodiak Emergency Vehicles for the purchase of one Stryker 6506 Power-Pro XT Demo Unit Cot for the Fire Department in the amount of \$15,693.00 and authorize payment to the vendor upon satisfactory receipt of the equipment.
6. Purchase Authorization — Fire Department Pick-up Truck. Waive competitive bidding requirements, authorize the purchase of one 2017 Ford F250 in the amount of \$28,217.00 from Owosso Motors, Inc. d/b/a Signature Auto Group of Owosso via Macomb County Contract No. 71-15, and authorize payment up to the quoted amount upon satisfactory delivery of said vehicle.
7. Warrant No. 495. Authorize Warrant No. 495 as follows:

Vendor	Description	Fund	Amount
State of Michigan-MDOT	Local progress billings for paving work along west North St.	Streets/ Water	\$108,080.62
Orchard Hiltz & McCliment Inc.	Water reliability study	Water	\$ 2,239.00
Shiawassee Area Transportation Agency	FY 2016/2017 local funding commitment	General	\$ 34,658.31

ITEMS OF BUSINESS

1. Planning Commission Recommendation Re: Recreational Vehicle Parking. Discussion regarding the Planning Commission recommendation not to amend Sect. 38-379(8) – Accessory buildings, governing the parking of recreational vehicles in residential districts.
2. Development of Educational Plan for Street Bond. Follow-up discussion regarding plans to educate residents regarding the street bond proposal on the November 8, 2016 ballot.

COMMUNICATIONS

1. Randy J. Chesney, City Engineer. Letter to residents regarding the Oliver Street Reconstruction Project.
2. Planning Commission. Minutes of August 22, 2016.
3. Parks & Recreation Commission. Minutes of August 23, 2016.

CITIZEN COMMENTS AND QUESTIONS

NEXT MEETING

Monday, October 17, 2016

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – term expires June 30, 2019
Building Board of Appeals – Alternate - term expires June 30, 2018
Historical Commission – 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 Clerk's 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 SEPTEMBER 19, 2016
7:30 P.M.**

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

OPENING PRAYER: PASTOR PEG FAULMANN
ST. JOHNS UNITED CHURCH OF CHRIST

PLEDGE OF ALLEGIANCE: GARY CSAPOS AND BRENT WESLEY
OWOSSO COMMUNITY AIRPORT REPRESENTATIVES

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Christopher T. Eveleth,
Councilpersons Burton D. Fox, Elaine M. Greenway, Michael J. O’Leary,
and Robert J. Teich, Jr.

ABSENT: Councilperson Loreen F. Bailey.

APPROVE AGENDA

Motion by Mayor Pro-Tem Eveleth to approve the agenda as presented.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF SEPTEMBER 6, 2016

Motion by Councilperson Fox to approve the Minutes of the Regular **Error! Reference source not found.** Meeting of September 6, 2016 as presented.

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

APPROVAL OF THE MINUTES OF SPECIAL MEETING OF SEPTEMBER 13, 2016

Motion by Mayor Pro-Tem Eveleth to approve the Minutes of the **Error! Reference source not found.** Special Meeting of September 13, 2016 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

General Aviation Appreciation Month

Mayor Frederick read aloud the following proclamation of the Mayor’s Office declaring the month of September 2016 as General Aviation Appreciation Month in the City of Owosso; Owosso Community Airport Assistant Manager Garry Csapos and Shiawassee Airport Board Member Brent Wesley were on hand to receive the proclamation.

**A PROCLAMATION
OF THE MAYOR’S OFFICE OF THE CITY OF OWOSSO, MICHIGAN
PROCLAIMING SEPTEMBER 2016 AS
GENERAL AVIATION APPRECIATION MONTH**

WHEREAS, the City of Owosso in the state of Michigan has a significant interest in the continued vitality of general aviation, aircraft manufacturing, aviation educational institutions, aviation organizations and community airports; and

WHEREAS, general aviation and the Owosso Community Airport have an immense economic impact on the City of Owosso; and

WHEREAS, Michigan is home to 215 public-use general aviation airports, which serve 14,112 pilots and 5,663 active general aviation aircraft; and

WHEREAS, Michigan is home to 121 fixed-base operators, 97 repair stations, 489 heliports, 7 FAA-approved pilot schools, 2,480 flight students and 2,445 flight instructors; and

WHEREAS, general aviation in Michigan contributes over \$4 billion to the state's total economic output; and

WHEREAS, general aviation not only supports Michigan's economy, it improves overall quality of life by supporting emergency medical and healthcare services, law enforcement, firefighting and disaster relief, and by transporting business travelers to their destinations quickly and safely; and

WHEREAS, the nation's aviation infrastructure represents an important public benefit and Congressional oversight should be in place to ensure stable funding of this system.

NOW THEREFORE, I, Benjamin R. Frederick, Mayor of the City of Owosso, do hereby proclaim general aviation an important strategic resource to the City of Owosso and declare September 2016 as General Aviation Appreciation Month in the City of Owosso, Michigan.

Proclaimed this 19th day of September, 2016.

After presenting the proclamation Mayor Frederick noted that the Airport may be the area's best kept secret, saying there are many activities at the Airport that people are unaware of.

PUBLIC HEARINGS

Industrial Facilities Tax Exemption Certificate – 300 W. Main Street

A public hearing was conducted to receive public comment on the application from Owosso REI Group, LLC of Owosso for an Industrial Facilities Tax Exemption Certificate for real and personal property for their property at 300 West Main Street.

Larry D. Cook, City Assessor, and Marilyn Crowley, representative for Kincaid Henry general contractor for the project, were on hand to answer questions about the project and/or the requested abatement.

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

Whereas, the Council, after due and legal notice, has met and there being no one to be heard, motion by Mayor Pro-Tem Eveleth that the following resolution be adopted:

RESOLUTION NO. 114-2016
APPROVING AN IFE APPLICATION
OWOSSO REI GROUP, LLC
300 W. MAIN STREET

WHEREAS, pursuant to PA 198 of 1974, as amended, after a duly noticed public hearing held on September 6, 2016, this City Council, by resolution established a Plant Rehabilitation District for property occupied by 300 W. Main Street; and

WHEREAS, Owosso REI Group, LLC filed an application for an Industrial Facilities Exemption Certificate with respect to Real Property and New Personal Property within the Plant Rehabilitation District; and

WHEREAS, before acting on said application, the City of Owosso held a hearing on September 19, 2016, in City Hall, at 301 W. Main Street, Owosso, MI, 48867, at 7:30 p.m. at which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, the Rehabilitation of Real Property and acquisition of the New Personal Property had not begun earlier than six (6) months before July 21, 2016, the date application received for the Industrial Facilities Exemption Certificates; and

WHEREAS, Rehabilitation of Real Property and acquisition of the New Personal Property is calculated to and will, at the time of issuance of the certificate, have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Owosso; and

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

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

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

SECOND: The application from Owosso REI Group, LLC for an Industrial Facilities Exemption Certificate, with respect to Real Property and New Personal Property on the following described parcel of real property situated within the Industrial Development District, to wit:

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

be and the same is hereby approved.

THIRD: The Industrial Facilities Exemption Certificate for Real Property and New Personal Property, when issued, shall be and remain in force for a period of twelve (12) years.

Motion supported by Councilperson Teich.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

Obsolete Property Rehabilitation Exemption Certificate – 344 W. Main Street

A public hearing was conducted to receive citizen comment regarding the application from D.R. & H.P., LLC of Lansing for an Obsolete Property Rehabilitation Exemption Certificate for their property at 344 W. Main Street.

Larry D. Cook, City Assessor, and Marilyn Crowley, representative for Kincaid Henry general contractor for the project, were on hand to answer questions about the project and/or the requested abatement.

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

Whereas, the Council, after due and legal notice, has met and there being no one to be heard, motion by Mayor Pro-Tem Eveleth that the following resolution be adopted:

RESOLUTION NO. 115-2016

**TO APPROVE THE APPLICATION FOR AN
OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE
FROM D.R. & H.P., L.L.C.
FOR PROPERTY LOCATED AT
344 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 September 6, 2016, the City Council of the City of Owosso approved an Obsolete Property Rehabilitation District at 344 W. Main Street in Owosso, Michigan. As provided by section 4(2) of Public Act 146 of 2000, said property more particularly described as:

LOTS 10 THRU 15 AND WEST 132 FEET OF LOT 8 AND WEST 132 FEET OF SOUTH 18 FEET OF LOT 7, BLOCK 6, LUCY L COMSTOCKS ADDITION TO THE CITY OF OWOSSO, INCLUDING WEST 132 FEET OF CLOSED ALLEY

WHEREAS, the City Clerk received an application on August 3, 2016 from David R. Russell, founder of D.R. & H.P., L.L.C. owners of the property at 344 W. Main Street, for an Obsolete Property Rehabilitation Exemption Certificate; and

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

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

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

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

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

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

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

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

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

FIRST: based on the findings above made at public hearing the application for an Obsolete Property Rehabilitation Exemption Certificate at 344 W. Main Street is hereby authorized for a period of twelve (12) years.

SECOND: the rehabilitation shall be completed within eighteen (18) months from the date of approval of said application.

THIRD: the application and resolution are authorized for submittal to the State Tax Commission for final review and authorization.

Motion supported by Councilperson Greenway.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

CITIZEN COMMENTS AND QUESTIONS

Norm Campbell, owner of property at 1605 Palmer Avenue, indicated that the Kiwanis Trail and a portion of the disc golf course in Collamer Park were encroaching on his property and asked that the City take immediate action to remove the encroachments, mark its property lines, and establish a 50' buffer around his property. Mayor Frederick responded saying staff would be in contact with Mr. Campbell to walk the property.

Tom Moorehead, Shiawassee Landlords' Association member, reported that the Association will hold a candidates' night on October 4th at 7:00pm at the Wrought Iron Grill. All are welcome to attend.

Eddie Urban, 601 Glenwood Avenue, thanked the Council for the new assisted listening equipment in the Council Chambers.

Councilperson Fox asked the Airport representatives for more detail on the Compassion Flights that depart from the Airport.

Councilperson Greenway noted the Kiwanis Club would be working with the Boy Scouts and the Owosso Community Airport to hold a special event to educate the Scouts on flight and rocket propulsion.

Shiawassee Airport Board Treasurer Brent Wesley also pointed out the Airport would be working with the local schools to facilitate a class that would include the construction of a full-size working airplane.

CITY MANAGER REPORT

Sitting in for City Manager Donald D. Crawford, Assistant City Manager Montenegro indicated she had nothing to report at this time.

CONSENT AGENDA

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

Oktoberfest Permission. Approve request from the Shiawassee Regional Chamber of Commerce for use of the Ball/Exchange Parking Lot (Lot # 5) and various downtown streets at various times from October 13, 2016 through October 16, 2016 for Oktoberfest 2016 and approve Traffic Control Order No. 1363 formalizing the request.

Bid Award – Clarifier Screening Equipment & Compactors. Approve bid award to Duperon Leasing & Sales, Inc. for the purchase of 2 clarifier screening units with 2 matching washer/compactors for the WWTP in the amount of \$216,775.00 and an additional \$10,000 for installation contingencies for the screening units (washer/compactors will be installed under separate contract), and further approve payment up to the bid amount plus the screening equipment installation contingency upon delivery, installation, and start-up of said equipment as follows:

RESOLUTION NO. 116-2016

AUTHORIZING BID AWARD TO DUPERON LEASING AND SALES, LLC FOR MANUFACTURE AND DELIVERY OF TWO SCREENING UNITS AND TWO MATCHING WASHER-COMPACTORS FOR THE WASTEWATER PLANT

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Wastewater Plant Replacement Fund for the replacement of Screening Units and addition of Washer-Compactors, and

WHEREAS, the existing Screening Units were beyond economical repair, and the matching Washer-Compactors are required to improve process performance and regulatory compliance, and Duperon Leasing and Sales, LLC of Saginaw, Michigan provided the low, responsible bid for this wastewater process equipment at a cost of \$216,775.00, and

WHEREAS, the Utility Director has reviewed the bid proposal and verified the components needed to restore the clarification process to full operational capability, and recommends authorizing Duperon Leasing and Sales, LLC to provide the Screening Units and Washer-Compactors in an amount not to exceed \$216,775.00, and to authorize the Utility Director to expend up to \$10,000.00 for possible installation modification contingencies for the Screening Units, with installation of the Washer-Compactors to be addressed by separate contract.

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 purchase two Screening Units and two Washer-Compactors for use at the Wastewater Treatment Plant from Duperon Leasing and Sales, LLC.

SECOND: The accounts payable department is authorized to submit payment to Duperon Leasing and Sales, LLC in an amount of not to exceed \$216,775.00 upon delivery, installation, and start-up of the Screening Units by March 2017.

THIRD: The accounts payable department is further authorized to pay approved invoices up to \$10,000.00 for installation and modification costs.

FOURTH: The above expenses shall be paid from the Wastewater Plant Fund 599-901-977.000.

Purchase Authorization – Screw Pump Bearing Assembly. Approve sole source purchase of an upper bearing assembly and attached shaft from Lakeside Equipment Corporation of Illinois for an influent screw pump at the WWTP in the amount of \$15,594.00 and authorize payment to the vendor upon satisfactory receipt of the assembly as follows:

RESOLUTION NO. 117-2016

**AUTHORIZING THE PURCHASE OF
ONE SCREW PUMP GEAR BOX
AT THE WASTEWATER TREATMENT PLANT
FROM LAKESIDE EQUIPMENT CORPORATION**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Wastewater Plant Replacement Fund for the replacement of a screw pump upper bearing assembly, and

WHEREAS, the existing upper bearing assembly is not repairable, and has expended its useful service life, and determined to require replacement with original manufacturer replacement components, as provided in the quoted price dated August 22, 2016 from Lakeside Equipment Corporation in the amount of \$15,594.00; and

WHEREAS, the City Utilities Director has reviewed the quote and verified the replacement components needed to restore the screw pump to full operating capacity, and recommends authorizing Lakeside Equipment Corporation to provide the required upper bearing assembly in an amount not to exceed \$15,594.00.

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 Lakeside Equipment Corporation for the purchase of one screw pump upper bearing assembly for use at the Wastewater Treatment Plant.

SECOND: The accounts payable department is authorized to submit payment to Lakeside Equipment Corporation in an amount not to exceed \$15,594.00 upon satisfactory delivery of said assembly.

THIRD: The above expenses shall be paid from account no. 599-901-977.000.

Purchase Authorization — Road Salt. Waive competitive bidding requirements, authorize purchase order with The Detroit Salt Company, LLC, via State of Michigan Contract No. 071B1300339, for 1,800 tons of road salt at \$50.11 per ton, and further authorize payment up to \$90,198.00 upon satisfactory receipt of the product as detailed below:

RESOLUTION NO. 118-2016

**AUTHORIZING THE EXECUTION OF A PURCHASE ORDER WITH
THE DETROIT SALT COMPANY, LLC**

FOR THE WINTER SUPPLY OF ROAD SALT

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has a duty to keep its streets safe during the winter months; and that this is advisable, necessary and in the public interest; and

WHEREAS, the most efficient way to remove ice from the streets is the application of road salt onto the icy pavements; and

WHEREAS, in order to obtain the best price, it is in the best interest of the city of Owosso to waive competitive bidding requirements and utilize the state wide contract number 071B300339 held by The Detroit Salt Company, LLC for the purchase of road salt at \$50.11 per ton.

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 purchase 1,800 tons of road salt from The Detroit Salt Company, LLC in the amount of \$90,198.00.

SECOND: The contract between the City and The Detroit Salt Company, LLC shall be in the form of a Purchase Order, with reference to State of Michigan Contract No. 071B1300339.

THIRD: The accounts payable department is authorized to pay The Detroit Salt Company, LLC for road salt satisfactorily received, up to the purchase order amount.

FOURTH: The above expenses shall be paid from Local and Major Street Fund.

Warrant No. 528. Authorize Warrant No. 528 as follows:

Vendor	Description	Fund	Amount
William C. Brown, P.C.	Professional services- 8/3/16 - 8/31/16	General	\$12,509.64
Logicalis, Inc.	Network engineering services – August 2016	Various	\$ 7,056.00
Safebuilt, Inc.	Building department services- August 2016	General	\$11,600.00

Motion supported by Councilperson Fox.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

ITEMS OF BUSINESS

Cargill - Revised Development Agreement*

This item was adopted September 13, 2016 as a part of the Brownfield Redevelopment Plan for District #17. Minor changes have been incorporated into the document since then, necessitating this evening's action.

Motion by Councilperson Greenway to approve the Revised Development Agreement with Cargill, Incorporated defining the responsibilities of Cargill and the City of Owosso in regard to Brownfield District #17, Cargill-Sonoco Roadway Project as presented.

Motion supported by Councilperson Greenway.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

Bid Award – Cargill/Sonoco Road & Watermain Construction

Motion by Mayor Pro-Tem Eveleth to approve bid award to Crawford Contracting, Inc. for the construction of a roadway and water main serving Brownfield District #17, Cargill-Sonoco Roadway Project in the amount of \$1,621,311.07 contingent upon the receipt of all necessary approvals from the Michigan Strategic Fund and execution of a deed for right-of-way dedication and water main easements from Sonoco Protective Solutions, Inc., and further approve payment to the contractor upon satisfactory completion of the project or a portion thereof as detailed below:

RESOLUTION NO. 119-2016

**AUTHORIZING BID AWARD TO
CRAWFORD CONTRACTING, INC.
FOR CONSTRUCTION OF ROAD AND WATER MAIN
SERVING BROWNFIELD DISTRICT #17**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, owns property located at 1509 West Oliver Street that is currently under contract for purchase by Cargill, Incorporated; and

WHEREAS, the City must provide street and water access to the property as a part of the purchase agreement; and

WHEREAS, bids for the construction of said improvements were let and the City's contract engineer for the project has reviewed the bid proposals and recommends authorizing award of the project to Crawford Contracting, Inc., the low bidder; and

WHEREAS, construction of the above named improvements is contingent upon approval of Brownfield Redevelopment Plan District #17 by the Michigan Strategic Fund and the execution of a deed for right-of-way dedication and water main easements from Sonoco Protective Solutions, Inc.

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 Crawford Contracting, Inc. for the construction of a road and water main serving Brownfield District #17.

SECOND: The accounts payable department is authorized to submit payment to Crawford Contracting, Inc. in an amount of not to exceed \$1,621,311.07, based on unit pricing, upon satisfactory completion of the project or a portion thereof.

THIRD: The above expenses shall be paid from the General Appropriations and Utility Funds until such time they can be reimbursed with bond proceeds.

FOURTH: Said contract will not become valid until all necessary approvals from the Michigan Strategic Fund are received, a deed for right-of-way dedication and water main easements from Sonoco Protective Solutions, Inc.

Motion supported by Councilperson Fox.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

Development of Educational Plan for Street Bond

Councilperson Fox indicated he is trying to assemble a group of people interested in promoting the City's bond question and he was looking to his fellow Council members to help in the recruitment effort. He said he had also scheduled time to speak with the Landlords' Association in an effort to help educate the public. He asked that information on the proposal be assembled in anticipation of the formation of the committee. Council members were also reminded that they were allowed to advise people of the facts regarding the proposal.

Mayor Frederick asked that Council members get in touch with Councilperson Fox with contact information for recruits by Wednesday.

COMMUNICATIONS

N. Bradley Hissong, Building Official. August 2016 Building Department Report.

N. Bradley Hissong Building Official. August 2016 Code Violations Report.

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

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

Historical Commission. Minutes of August 29, 2016.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W M-21, said he was thrilled with all of the activities that were going on in town last weekend. He also said that he had heard that Mr. Campbell had offered to sell his property to the City but the City had not responded to the offer and it would be nice to purchase his property and add it to the park.

Councilperson Fox said he had a question regarding a letter given to him that informed a local landlord that there would be a fee of \$200 to appeal the findings of a rental inspection. He asked that staff look into the matter and correct the wording of the letter.

NEXT MEETING

Monday, October 03, 2016

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – term expires June 30, 2019
Building Board of Appeals – Alternate - term expires June 30, 2018
Historical Commission – term expires December 31, 2016

ADJOURNMENT

Motion by Mayor Pro-Tem Eveleth for adjournment at 8:04 p.m.

Motion supported by Councilperson O'Leary and concurred in by unanimous vote.

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk

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



MEMORANDUM

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

DATE: 29 September 2016
TO: Mayor Frederick and the Owosso City Council
FROM: Rick Williams, Finance Director
SUBJECT: **Professional Services Agreement for Financial Audit Services**

RECOMMENDATION:

Approve an agreement with Rehmann Robson to provide an independent financial audit of the city, component units and the Employees Retirement System for fiscal year 2016 in the amount of \$22,600.

BACKGROUND:

Rehmann Robson has provided the city with auditing services for the past five years after being selected from a short list of top rated firms. Rehmann has proposed extending the contract for another five years. There is some merit to having auditors experienced in city operations, controls and processes to assist during staff transitions. The engagement letter for approval however is for one fiscal year only.

FISCAL IMPACTS:

Audit fees in the various funds charged are budgeted.

Attachments:
Resolution
Engagement Letter

RESOLUTION NO.

**RESOLUTION AUTHORIZING THE EXECUTION OF A LETTER OF ENGAGEMENT WITH
REHMANN ROBSON, CERTIFIED PUBLIC ACCOUNTANTS,
TO AUDIT FISCAL YEAR ENDING JUNE 30, 2016**

WHEREAS, the city of Owosso, Michigan is required by the state of Michigan to have an independent audit performed annually according to generally accepted auditing standards; and

WHEREAS, obtaining certified public accountants to prepare the audit of the financial statements is necessary and it is hereby determined that Rehmann Robson, PLLC, are qualified to provide such services;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO,
SHIAWASSEE COUNTY, MICHIGAN:

- FIRST: that the city of Owosso has heretofore determined that engaging Rehmann Robson, PLLC, certified public accountants, is advisable and necessary, to conduct and prepare an audit of the basic financial statements for the city of Owosso, Michigan;
- SECOND: that the letter of engagement between the city of Owosso and Rehmann Robson, attached as Exhibit A for a cost not to exceed \$22,600 is hereby approved; and
- THIRD: that the city manager of the city of Owosso is hereby instructed and authorized to sign the document attached as Exhibit A for the city of Owosso.
- FOURTH: Payment of \$22,600 is hereby approved upon successful completion of the audit from the various funds being audited.



Rehmann Robson

5800 Gratiot Rd.
Suite 201
Saginaw, MI 48638
Ph: 989.799.9580
Fx: 989.799.0227
rehmann.com

September 27, 2016

Mr. Richard Williams
Finance Director
City of Owosso
301 W. Main St.
Owosso, MI 48867

Enclosed is the engagement letter for the *City of Owosso* for the year ended June 30, 2016. *Government Auditing Standards* (as amended) require that we communicate, during the planning stage of an audit, certain information to the City Council. This information includes the auditors' responsibilities in a financial statement audit, including our responsibilities for testing and reporting on compliance with laws and regulations and internal control over financial reporting. The engagement letter includes the items which must be communicated to the City Council.

Therefore, please make copies of the attached engagement letter and forward the copies to the City Council.

Please sign and return the enclosed copy of the attached engagement letter to us at your earliest convenience.

Sincerely,

A handwritten signature in black ink that reads "Rehmann Robson LLC". The signature is written in a cursive, flowing style.

Enclosures

September 27, 2016

City Council
City of Owosso
301 W. Main St.
Owosso, MI 48867

We are pleased to confirm our understanding of the services we are to provide the *City of Owosso* (the "City") for the year ended June 30, 2016.

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the year ended June 30, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI) such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedules of Required by GASB 67 and 68 - Pension Plans

We have also been engaged to report on supplementary information other than RSI, such as combining and individual fund financial statements, that accompanies the City's basic financial statements. We will subject the supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

Audit Objectives

The objective of our audit is the expression of opinions as to whether the City's basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole. Our audit of the City's financial statements does not relieve management or those charged with governance of their responsibilities. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for

financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the City and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to the City Council. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs to our report. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with management in advance. If circumstances occur and come to our attention related to the condition of the City's records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, or we become aware that information provided by the City is incorrect, incomplete, or otherwise unsatisfactory which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

The concept of materiality is inherent in the work of an independent auditor. An auditor places greater emphasis on those items that have, on a relative basis, more importance to the financial statements and greater possibilities of material error than with those items of lesser importance or those in which the possibility of material error is remote. For this purpose, materiality has been defined as "the magnitude of an omission or misstatement of accounting and financial reporting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement."

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including ongoing monitoring activities; to help ensure that appropriate goals and objectives are met; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with an acceptable financial reporting framework. Management is responsible for determining, and has determined, that the applicable and appropriate financial reporting framework to be used in the preparation of the City's financial statements is accounting principles generally accepted in the United States of America (GAAP).

Management is also responsible for making all financial records and related information available to us and for ensuring that financial information is reliable and properly recorded. Management is also responsible for providing us with (1) access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request from management for the purpose of the audit, and (3) unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence.

Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

We understand that management will provide us with such information required for our audit, including a reasonably adjusted trial balance, and that management is responsible for the accuracy and completeness of that information. Assistance provided by our Firm in the preparation of a reasonably adjusted trial balance is considered an additional billable service.

We will advise management about appropriate accounting principles and their application and may assist in the preparation of the City's financial statements, but the responsibility for the financial statements remains with management with oversight by those charged with governance. As part of our engagement, we may propose standard, adjusting, or correcting journal entries to the City's financial statements. Management is responsible for reviewing the entries, understanding the nature of any proposed entries and the impact they have on the financial statements, and the implications of such entries on the City's internal control over financial reporting. Further, the City is responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these services.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Management's responsibilities include informing us of its knowledge of any allegations of fraud, suspected fraud, or illegal acts affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, management is responsible for identifying and ensuring that the City complies with applicable laws, regulations, contracts, agreements and grants and for taking timely and appropriate steps to remedy any fraud, violations of contracts or grant agreements, or abuse that we may report.

Management is responsible for the preparation of the supplementary information that is presented fairly in relation to the basic financial statements. Management agrees to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. Management also agrees to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Management's responsibilities include acknowledging to us in the representation letter that (1) management is responsible for presentation of the supplementary information in accordance with GAAP; (2) that management believes the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) management has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. Management is also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as management's planned corrective actions for the report, and for the timing and format for providing that information.

During the course of our engagement, we will request information and explanations from management regarding the City's operations, internal control over financial reporting, various matters concerning fraud risk, future plans, specific transactions, and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written management representation letter.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We may request written representations from the City's attorneys as part of the engagement, and they may bill the City for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from management about the financial statements and related matters.

We have advised the City of the limitations of our audit regarding the detection of fraud and the possible effect on the financial statements (including misappropriation of cash or other assets). We can, as a separate engagement, perform extended procedures specifically designed to potentially detect defalcations. Management acknowledges that the City has not engaged us to do so and does not wish to do so at this time.

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with the preparation of the City's financial statements and related notes. Management will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and that management has reviewed and approved the financial statements and related notes prior to their issuance and has accepted responsibility for them. Management agrees to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, and/or experience to oversee any nonaudit services we provide; evaluate the adequacy and results of these or other nonattest services provided by our Firm; and understand and accept responsibility for the results of such services.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the City and its business environment, including internal control over financial reporting, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures that are appropriate in the circumstances. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control, or to identify significant deficiencies or material weaknesses in internal control, or to express an opinion on the effectiveness of internal control over financial reporting. However, during the audit, we will communicate to the appropriate level of management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*. These matters refer to significant matters related to the financial statement audit that are, in our professional judgment, relevant to the responsibilities of those charged with governance in overseeing the City's financial reporting process. When applicable, we are responsible for communicating certain matters required by laws or regulations, or by additional requirements that may be applicable to this engagement. Auditing standards generally accepted in the United States of America do not require the independent auditor to design or perform procedures for the purpose of identifying other matters to communicate with those charged with governance. Management is responsible for assessing the implications of and correcting any internal control-related matters brought to the City's attention by us.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Fees

The not-to-exceed fee for the audit of the City's financial statements will be \$22,600. Our invoices for these fees are due and payable as follows:

November 1, 2016	\$ 6,000
December 1, 2016	11,300
December 15, 2016	5,300

This fee is based on the assumption that unexpected circumstances will not be encountered during the audit. This fee is based on anticipated cooperation from the City's personnel, continued readiness and proactive assistance on their part in providing us with complete and accurate information (whether financial or nonfinancial in nature) considered necessary by us to form an appropriate opinion, and the assumption that unexpected circumstances will not be encountered during the audit. Such circumstances include, but are not necessarily limited to significant addition or deletion of funds, component units or related entities and first-time application of significant new professional accounting or auditing pronouncements. In addition, the fee above assumes management will analyze and maintain appropriate support for significant valuation assertions embodied in the financial statements including the valuation of investment securities, the actuarial methods and assumptions used to calculate the net pension and other postemployment benefits liabilities, impairment of capital assets including those held for sale, the valuation of inventories and land held for resale, allowances for uncollectible receivables, and the estimate for incurred-but-not-reported self insurance claims. If significant additional time is necessary, we will discuss the related circumstances with management and arrive at a new fee estimate, which may or may not occur before we incur the additional time. In these circumstances, we may also issue a change order form (an attached example is provided.)

Engagement Administration and Other

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Rehmann and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a cognizant or grantor agency for audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify management of any such request. If requested, access to such audit documentation will be provided under the supervision of Rehmann personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the cognizant agency, oversight agency for audit, or pass-through entity. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

Our audit engagement and responsibility as auditors ends on delivery of our audit report. Any follow-up services that might be required will be part of a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Government Auditing Standards require that we provide the City with a copy of our most recent external peer review report and any subsequent peer review reports received during the period of the contract. Our 2014 peer review report accompanies this letter.

This engagement letter and the attached Rehmann Audit Engagement Letter Terms reflect the entire understanding between us relating to the audit services covered by this agreement. This agreement may not be amended or varied except by a written document signed by both parties. It replaces and supersedes any previous proposals, correspondence, and understandings, whether written or oral. The agreements of the City and Rehmann contained in this document shall survive the completion or termination of this engagement. If any term hereof is found unenforceable or invalid, this shall not affect the other terms hereof, all of which shall continue in effect as if the stricken term had not been included.

We appreciate the opportunity to be of service to the City and believe the arrangements outlined above and in the attached Rehmann Audit Engagement Letter Terms accurately summarize the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement, please sign the enclosed copy of this document and return it to us.

A handwritten signature in black ink that reads "Rehmann Johnson LLC". The signature is written in a cursive, flowing style.

Doug Deeter, CPA
Principal

Executive responsible for supervising the
engagement and signing our report

City Council
City of Owosso
September 27, 2016
Page 8

ACKNOWLEDGED AND ACCEPTED:

This letter correctly sets forth the understanding of the *City of Owosso*.

Officer Signature

Printed Name

Title

Date

Rehmann Audit Engagement Letter Terms

ADDITIONAL SERVICES - The City may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with management regarding the scope of the additional services and the estimated fees. We also may issue a change order form (an attached example is provided), or a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our attest services will continue to be governed by the terms of this engagement letter.

CODE OF CONDUCT - Management is responsible for identifying any violations by employees of the City's code of conduct.

CHANGES IN STANDARDS, LAWS AND REGULATIONS - We perform services for the City based on present professional standards, laws and regulations. While we may on occasion be able to communicate with management with respect to changes in professional standards, laws and regulations, as a general principle we cannot undertake with clients to advise them of every change that may occur. The City can always obtain reassurance in this regard by contacting us for an updated review of the City's situation.

MANAGEMENT'S REPRESENTATIONS - The procedures we will perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. Accordingly, false, misleading, incomplete or omitted representations could cause us to expend unnecessary efforts or could cause material error or a fraud to go undetected by our procedures.

CLIENT ASSISTANCE - We understand that the City's employees will prepare all cash, accounts receivable, and other confirmations we request and will locate and refile any documents selected by us for testing. In addition, management will provide us with copies of all minutes and other documents that we believe may have a bearing on our evaluation of the City's financial affairs.

WORK SPACE - The City shall provide reasonable work space for Rehmann personnel at audit work sites, as well as occasional clerical support services. The City understands that Rehmann's performance is dependent on the City's timely and effective satisfaction of its own activities and responsibilities in connection with this engagement, as well as timely decisions and approvals by City personnel.

ACCURACY AND COMPLETENESS OF INFORMATION - Management agrees to ensure that all information provided to us is accurate and complete in all material respects, contains no material omissions and is updated on a prompt and continuous basis. In addition, management will also be responsible for obtaining all third-party consents, if any, required to enable Rehmann to access and use any third-party products necessary to our performance.

EMAIL - The City acknowledges that (a) Rehmann, the City and others, if any, participating in this engagement may correspond or convey documentation via Internet e-mail unless the City expressly requests otherwise, (b) no party has control over the performance, reliability, availability, or security of Internet e-mail, and (c) Rehmann shall not be liable for any loss, damage, expense, harm or inconvenience resulting from the loss, delay, interception, corruption, or alteration of any Internet e-mail due to any reason beyond Rehmann's reasonable control.

OFFERS OF EMPLOYMENT - Professional standards require us to be independent with respect to the City in the performance of our services. Any discussions that management has with personnel of our Firm regarding employment could pose a threat to our independence. Therefore, we request that management inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Neither party shall, during the term of this engagement letter and for one (1) year after its termination, solicit for hire as an employee, consultant or otherwise any of the other party's personnel without such other party's express written consent. If the City desires to offer employment to a Rehmann associate and the associate is hired

in any capacity by the City, a market-driven compensation placement fee may apply.

ADDITIONAL FEES AND BILLING POLICIES - It must be understood that the nature of our engagement requires us to exercise our independent professional judgment with respect to various auditing, accounting and related issues. In reaching our conclusions, we must retain the right to judge the nature and scope of the work required in order to conform to professional standards, as well as the work we deem necessary to enable us to reach the conclusions and form the opinions required of us. If our judgment as to the scope of the work required causes us to reassess our estimate of fees for this engagement, we will so advise the City. We reserve the right to refrain from performing additional work (and thereby incurring additional time charges) unless and until the City has confirmed its understanding of, and agreement to, any additional estimated charges.

Our fee estimate is based upon our discussions with management, in which management has disclosed no unusual problems or issues which would require us to conduct an audit of unusual scope or otherwise expend time and effort in excess of that normally anticipated in an engagement of this type. The estimate also assumes that we will have the full cooperation of City personnel, as required, and that there is a reasonable continuity of City personnel familiar with the matters to which our engagement relates. In addition, our fee is based on the experience level of our personnel, at their respective standard hourly rates, performing certain audit procedures at certain timeframes. If we are caused to vary from that planning formula, additional fees will need to be charged to allow for more experienced personnel performing the work, reallocation of our client priority, overtime, etc. Further, management will provide us with the schedules and records that we request (which ordinarily are detailed in a request list in advance of our fieldwork) and that all such schedules and records will be provided to us timely in accordance with the scheduled fieldwork dates, to be mutually agreed upon. If the requested schedules and records are not provided to us in accordance with the scheduled dates and we are unable to continue our work, we will resume our work as soon as the schedules and records are provided to us and our professionals assigned to the engagement again become available.

As a result of well-publicized events, global economic convergence, and the continued evolution of the accounting profession, accounting and auditing standard setters and regulators are continually evaluating the need for changes that may affect the City. Such changes may result in changes in financial reporting and expanding the nature, timing and scope of activities we are required to perform to provide the services discussed in this letter. Proposed changes and shortened deadlines could result in a reduction of the level of assistance and preparedness the City is able to provide. We expect that our clients may continue to look to us to assist them with these changes. To the extent any changes require us to increase the time required to provide the services described in this letter or to complete new tasks required by such changes, we reserve the right to adjust our fees appropriately. We will endeavor to advise the City of anticipated changes to our fees on a timely basis.

In accordance with our Firm policies, work may be suspended if the City's account becomes 30 days or more overdue and will not be resumed until the account is paid in full or we have a definitive payment agreement approved by our Firm administrator in Saginaw, Michigan. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. The City will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Our terms and conditions impose a late charge of 1.5% per month, which is an annual percentage rate of 18%. Balances not paid within 30 days of the receipt of invoice are past due and a late charge of 1.5% will be applied to the entire past due amount.

CLAIMS - Because there are inherent difficulties in recalling or preserving information as the period after an engagement increases, the City agrees that, notwithstanding the statute of limitations of any

Rehmann Audit Engagement Letter Terms

particular State or U.S. Territory, any claim based on the audit engagement must be filed within 12 months after performance of our service, unless management has previously provided us with a written notice of a specific defect in our services that forms the basis of the claim.

TERMINATION OF SERVICES - We reserve the right to suspend or terminate services for reasonable cause such as failure to pay our invoices on a timely basis or failure to provide adequate information in response to our inquiries necessary for successful performance of our audit services. Our engagement will be deemed to be completed upon written notification of termination, even if we have not completed the audit and issued our signed auditors' report. The City is obligated to compensate us for the time expended to that point and to reimburse us for all out-of-pocket expenditures through the date of termination.

We acknowledge the City's right to terminate our services at any time, and the City acknowledges our right to withdraw at any time, including, but not limited to, for example, instances where, in our judgment, (a) the conditions in the first paragraph of the Audit Objectives section of this letter exist, (b) our independence has been impaired, (c) we can no longer rely on the integrity of management, or (d) management (or the Audit Committee, if applicable) fails to reasonably support our efforts to perform the engagement in accordance with what we believe is necessary to comply with professional standards, subject in either case to our right to payment for charges incurred to the date of termination or resignation.

In the event that we determine to resign, and the City seeks damages allegedly resulting from such resignation, our maximum liability to the City in the event we are held liable because of such resignation shall be limited to the fees actually paid to us for current year audit work performed up to the date of resignation.

REPRODUCTION OF FINANCIAL STATEMENTS - If the City voluntarily intends to publish or otherwise reproduce its financial statements concurrently with the original issuance thereon of our audit report and/or make reference to our Firm name, such as for inclusion in an annual report (such as, for example, in a CAFR), prospectus or similar document, the City agrees to provide us with printer's proofs, drafts, or masters for our review and approval before printing. The City also agrees to provide us with a copy of the final reproduced material for our approval before it is distributed. Fees, if any, for issuance or inclusion of our audit report and/or any other reference to our Firm in such other document, will be based on our standard hourly rates.

If the City decides to include, publish or otherwise reproduce the financial statements and our report thereon at a date subsequent to their original issuance, such as for inclusion in a Preliminary or Official Statement in connection with a sale of bonds or notes, or other securities, or in a prospectus or similar offering or other document (hereinafter referred to as the "document"), our Firm is presumed not to be associated with such document, and we have no obligation to perform any procedures with respect to such document. In these circumstances, the City agrees to include in the document a statement that we have not been engaged to perform and have not performed, since the date of our report being reproduced, any procedures on the financial statements contained in such document or on the unaudited financial or other information contained in the document, or on the document itself. If, however, management or the City's agent (such as an underwriter, bond counsel, financial advisor, etc.) requests our involvement, such as engaging us to prepare a written acknowledgement (sometimes referred to as a "consent" or "agree to include") letter prior to including our audit report in such a document, or engaging us to assist in preparing or reviewing financial or other information contained in such document, our Firm then becomes associated with the document and in accordance with professional standards, we will be required to perform certain limited procedures with respect to this or other unaudited information contained in the document. Fees for reissuance or inclusion of our audit report in such a document will be based on our standard hourly rates. If the City wishes to make reference in such a document to our Firm's role in connection with the purpose of the document, the caption "Independent Auditors" may be used to title or label that section of the document. In

accordance with professional standards, the caption "Experts" should not be used, nor should our Firm be referred to as "experts" anywhere in the document.

With regard to electronic dissemination of audited financial statements, including financial statements published electronically on the City's Internet Web site, the City understands that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

INFORMAL ADVICE - As part of our engagement we may provide advice on operating, internal control over financial reporting and other matters that come to our attention. Informal advice is not considered to be a consulting service unless we have entered into a separate engagement.

THIRD PARTY PROCEEDINGS - As a result of our prior or future services to the City, we might be requested or subpoenaed to provide information or documents to management or a third party in a legal, administrative, mediation, or arbitration or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be billable to the City as a separate engagement. We shall be entitled to compensation for our time at our standard hourly rates and reasonable reimbursement for our expenses (including our legal fees) in complying with this request. For all such requests, we will observe the confidentiality requirements of our profession and will notify management promptly of the request. This paragraph will survive the termination of this agreement for any reason, and will be binding upon successors to the City.

PEER REVIEW - Our Firm, as well as other major accounting firms, participates in a "peer review" program covering our audit and accounting practices. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is possible that the work we perform for the City may be selected by the other firm for their review. If it is, the other firm is bound by professional standards to keep all information confidential. If management objects to having the work we perform for the City reviewed by our peer reviewer, please notify us in writing.

PROMOTIONAL MATERIALS - The City consents to Rehmann's use of your City name and a factual description of the services to be performed by Rehmann under this agreement in Rehmann's advertising and promotional materials and other proposal opportunities.

MEDIATION - If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to binding arbitration or litigation. Costs of any mediation proceeding shall be shared equally by all parties.

GOVERNING LAW - This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, without regard to the principles of conflicts of law thereof.



EXAMPLE CHANGE ORDER

Client: *City of Owosso* (the "City")

Date:

Project Description (and estimated completion date, if appropriate):

Four horizontal lines for project description input.

Estimated Additional Fees: \$ _____

We believe it is our responsibility to exceed the City's expectations. This Change Order is being prepared because performance by us of the above project and/or additional service efforts was not anticipated in our original Agreement dated September 27, 2016. The estimated fees for the above project have been mutually agreed upon by the City and Rehmann. It is our goal to ensure that the City is never surprised by the price for any Rehmann service and, therefore, we have adopted the Change Order Policy. The estimated additional amount above is due and payable upon completion of the project described.

If management agrees with the above project description and the estimated fee amount, please authorize and date the Change Order below. A copy is enclosed for the City's records. Thank you for letting us serve the City.

Agreed to and accepted:

Officer Signature

Printed Name

Title

Date



MEMORANDUM

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

DATE: October 3, 2016
TO: Owosso City Council
FROM: Mark Sedlak, Director of Public Services
SUBJECT: Gould Street Resurfacing Contract Change Order # 3

RECOMMENDATION:

I recommend approving Change Order No. 3 in the amount of (\$73,938.55), decreasing the Gould Street Resurfacing Contract amount to \$441,688.99.

BACKGROUND:

On March 7, 2016, City Council approved the Contract to Pyramid Paving Company for resurfacing Gould Street. Work has reasonably progressed to date as authorized by the Contract and Change Orders 1 & 2.

Transmitted herewith is Change Order #3 in the amount of (\$73,938.55), decreasing the contract amount to \$441,688.99. This change order adds a new work item and balances quantities of other contract pay items. Pyramid Paving Company has offered to perform the additional work at the proposed prices listed on Change Order #3. I find the new item pricing and adjusted pay item quantities reasonable and recommend approving Change Order #3.

FISCAL IMPACTS:

The project is funded by a combination of MDOT Transportation Economic Development Fund-Category F funds, 2010 Unlimited Obligation Bond Proceeds Account No. 202-463-818000 and other funds as appropriated.

RESOLUTION NO.

**AUTHORIZING CHANGE ORDER NO. 3
TO THE CONTRACT WITH
PYRAMID PAVING COMPANY
FOR RESURFACING OF GOULD STREET**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, approved a contract to Pyramid Paving Company on March 7, 2016 for resurfacing of Gould Street; and

WHEREAS, the City has requested additional work from Pyramid Paving Company due to conditions found in the field; and

WHEREAS, the City and Pyramid Paving Company have agreed on final quantities of contract pay items as result of measurements taken in the field.

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

- FIRST: The City of Owosso amends the contract with Pyramid Paving Company to include additional work and the balancing of contract pay items.
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in form attached as Exhibit D, Contract Change Order No. 3 to the Contract for Services between the City of Owosso and Pyramid Paving Company, decreasing the total amount by (\$73,938.55).
- THIRD: The accounts payable department is authorized to pay Pyramid Paving Company for work satisfactorily completed up to the amount of the contract including Change Order No. 3.
- FOURTH: The above expenses shall be paid from a combination of MDOT Transportation Economic Development Fund-Category F funds, 2010 Unlimited Obligation Bond Proceeds Account No. 202-463-818000 and other funds as appropriated.

CHANGE ORDER

No. 3

OWNER City of Owosso
 CONTRACTOR Pyramid Paving Co.
 Contract: Gould Street Resurfacing
 OWNER's Contract No. _____ ENGINEER's Project No. 823451
 ENGINEER Fleis & VandenBrink

The Contract is modified as follows upon execution of this Change Order:

Description:

Add additional pay item to contract and balancing of contract quantities.

Reason for Change Order:

1. Add the following pay items to the Contract:

Item No.	Item of Work	Quantity	Unit	Unit Price	Cost
64	Clearing for Guardrail Installation	1	LS	\$2,885.12	\$2,885.12

2. Balancing of quantities based on contract award vs. quantities placed.

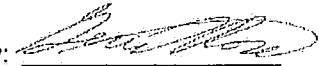
Attachments:

1. Change Order Quote 2. Breakdown on balanced pay items

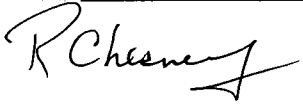
CHANGE IN CONTRACT PRICE
Original Contract Price \$ <u>521,827.54</u>
Increase (Decrease) from previously approved Change Orders No. <u>1</u> to <u>2</u> : \$ <u>(6,200.00)</u>
Contract Price prior to this Change Order: \$ <u>515,627.54</u>
Increase (Decrease) of this Change Order: \$ <u>(73,938.54)</u> ^{SR}
Contract Price incorporating this Change Order: \$ <u>441,689.00</u> <u>441,688.99</u> ^{RE}

CHANGE IN CONTRACT TIMES
Original Contract Times: Substantial Completion: _____ Ready for Final Payment: _____ (days or dates)
Increase (Decrease) from previously approved Change Orders No. <u>1</u> to <u>2</u> : Substantial Completion: _____ Ready for Final Payment: _____ (days)
Contract Times prior to this Change Order: Substantial Completion: _____ Ready for Final Payment: _____ (days or dates)
Increase (Decrease) of this Change Order: Substantial Completion: _____ Ready for Final Payment: _____ (days)
Contract Times with all approved Change Orders: Substantial Completion: _____ Ready for Final Payment: _____ (days or dates)

RECOMMENDED:

By: 

ENGINEER (Authorized Signature)
 Title: Project Engineer
 Date: 8/31/16




APPROVED:

By: _____

OWNER (Authorized Signature)
 Title: _____
 Date: _____

ACCEPTED:

By: 

CONTRACTOR (Authorized Signature)
 Title: Bruce Weiss, President
 Date: 9-12-16



PYRAMID PAVING & CONTRACTING CO.

1010 ADAMS STREET BAY CITY, MICHIGAN 48708

BAY CITY: 989-895-5861
SAGINAW: 989-791-3110
MIDLAND: 989-832-7048
FAX: 989-895-8905

CHANGE ORDER QUOTE

PROJECT NAME & LOCATION

August 19, 2016

Gould Street

Owosso, Michigan

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>PRICE</u>	<u>COST</u>
1	Clearing for Gaurdrail Installation	1	LS	3,600.00	\$3,600.00
2	Deduct Adjustment for Sidewalk Repairs	1	LS	(852.27)	(\$852.27)

SUBTOTAL: \$2,747.73

5% MARKUP: \$137.39

TOTAL CHANGE ORDER REQUEST: \$2,885.12

Gould Street Resurfacing - City of Owosso
Change Order No. 3 (Balancing)

Item No.	Description of Work	Quantity Difference	Unit	Unit Price	Total
2	Curb and Gutter, Rem	(399)	FT	\$ 10.00	(\$3,990.00)
4	Pavt, Rem	(303.17)	SYD	\$ 10.00	(\$3,031.70)
5	Sidewalk, Rem	56	SYD	\$ 8.00	\$448.00
6	Excavation, Earth	30	CYD	\$ 40.00	\$1,200.00
10	Dr Structure Cover, Type B	1	EA	\$ 500.00	\$500.00
12	Dr Structure Cover, Type K	2	EA	\$ 700.00	\$1,400.00
14	Dr Structure, Cleaning	1	EA	\$ 100.00	\$100.00
16	Dr Structure, Reconstruct, Add Depth, Special	(25)	FT	\$ 350.00	(\$8,750.00)
17	Dr Structure Cover, Adj, Case 1, Special	(10)	EA	\$ 400.00	(\$4,000.00)
19	Hand Patching	(168.20)	TON	\$ 78.20	(\$13,153.24)
20	HMA, 4E3	(311.38)	TON	\$ 62.75	(\$19,539.10)
21	HMA, 5E3	(106.39)	TON	\$ 68.45	(\$7,282.40)
22	HMA Approach	35.00	TON	\$ 114.10	\$3,993.50
23	Pavt Joint & Crack Repair, Det 7, Modified	63.00	FT	\$ 10.00	\$630.00
24	Pavt Joint & Crack Repair, Det 8, Modified	(375.00)	FT	\$ 12.00	(\$4,500.00)
25	Driveway, Nonreinf Conc, 7 inch	(23)	SYD	\$ 40.32	(\$927.36)
26	Curb and Gutter, Conc, Det C4	(435)	FT	\$ 18.14	(\$7,890.90)
28	Sidewalk Ramp, Conc, 4 inch	37	SFT	\$ 5.50	\$203.50
29	Sidewalk Ramp, Conc, 7 inch	(106)	SFT	\$ 7.00	(\$742.00)
30	Sidewalk, Conc, 4 inch	(671)	SFT	\$ 3.55	(\$2,382.05)
31	Sidewalk, Conc, 7 inch	(230)	SFT	\$ 4.48	(\$1,030.40)
33	Guardrail Reflector	3	EA	\$ 11.00	\$33.00
34	Post, Mailbox	(5)	EA	\$ 100.00	(\$500.00)
37	Sign, Type III, Rem	(24)	EA	\$ 16.50	(\$396.00)
39	Pavt Mrkg, Ovly Cold Plastic, 24 inch, Stop Bar	(25)	FT	\$ 14.00	(\$350.00)
41	Pavt Mrkg, Ovly Cold Plastic, Only	(1)	EA	\$ 185.00	(\$185.00)
44	Pavt Mrkg, Polyurea, 4 inch, White	67	FT	\$ 0.64	\$42.88
45	Pavt Mrkg, Polyurea, 4 inch, Yellow	(480)	FT	\$ 0.64	(\$307.20)
51	Pavt Mrkg, Longit, 6 inch or Less Width, Rem	(1,200)	FT	\$ 0.95	(\$1,140.00)
52	Pavt Mrkg, Type NR, Paint, 4 inch, Yellow, Temp	(10,250)	FT	\$ 0.49	(\$5,022.50)
53	Pavt Mrkg, Type R, 4 inch, Yellow, Temp	(150)	FT	\$ 1.75	(\$262.50)
54	Plastic Drum, High Intensity, Furn	(50)	EA	\$ 11.00	(\$550.00)
55	Plastic Drum, High Intensity, Oper	(50)	EA	\$ 0.25	(\$12.50)
56	Sign, Type B, Temp, Prismatic, Furn	(60)	SFT	\$ 3.00	(\$180.00)
57	Sign, Type B, Temp, Prismatic, Oper	(60)	SFT	\$ 0.15	(\$9.00)
59	Turf Establishment Performance	167.3	SYD	\$ 5.00	\$836.50
16-2	Cold Milling HMA Surface	120.0	SYD	\$ 2.69	\$322.80
62	Dr Structure, Temp Lowering	(1)	EA	\$ 400.00	(\$400.00)
64	Clearing for Guardrail Installation	1	LSUM	\$ 2,885.12	\$2,885.12
Total Change Order No. 3					(\$73,938.54)

\$(73,938.55)

RE



MEMORANDUM

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

DATE: September 27, 2016

TO: City Council

FROM: Susan Montenegro, assistant city manager/director of community development

SUBJECT: Resolution to award the Former Eastside Cleaners Vapor Barrier Installation Contract

RECOMMENDATION:

I recommend City Council accept the bid from TSP Services, Inc., DBA TSP Environmental and award a contract to them in the amount of \$28,030.00 for installation of vapor barrier at the former Eastside Cleaners site.

BACKGROUND:

On September 21, 2016, the city received a bid from an interested contractor for the Former Eastside Cleaners Vapor Barrier Installation project, also known as the Qdoba project. Vapor barrier installation work will continue the remediation process on the Qdoba site and is funded by the Michigan Department of Environmental Quality (MDEQ) through a loan. TSP Environmental (Redford, MI) was the only bidder.

FISCAL IMPACTS:

Expenses for the remediation portion of this project will be covered through a loan from the MDEQ. The loan portion will be repaid to the MDEQ through TIF monies received under District #16 Brownfield Tax capture over a period of 14 years.

RESOLUTION NO.

**AUTHORIZING THE EXECUTION OF A CONTRACT FOR
VAPOR BARRIER INSTALLATION AT
THE FORMER EASTSIDE CLEANERS
WITH TSP SERVICES, INC. DBA TSP ENVIRONMENTAL**

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 vapor barrier installation work at the site; a bid was received from TSP Environmental; and it is hereby determined that TSP Environmental is qualified to provide such services and that it has submitted the only 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 TSP Services, Inc., d/b/a TSP Environmental, for the vapor barrier 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 TSP Services, Inc., d/b/a TSP Environmental in the amount of \$28,030.00.
- THIRD: The accounts payable department is authorized to pay TSP Services, Inc., d/b/a TSP Environmental 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 276-000-401.407.

EXHIBIT A

Contract for Services Between

The City of Owosso

and

TSP Services, Inc. D/B/A TSP Environmental

Former Eastside Cleaners Vapor Barrier Installation

October 2016

CONTRACT

THIS AGREEMENT is made on October ____, 2016 between the CITY OF OWOSSO, a Michigan municipal corporation, 301 W. Main Street, Owosso, Michigan 48867 ("city") and TSP SERVICES, INC. D/B/A TSP ENVIRONMENTAL ("contractor"), a Michigan company, whose address is 25000 Capitol Street, Redford, Michigan 48239.

Based upon the mutual promises below, the contractor and the city agree as follows:

ARTICLE I - Scope of work

The contractor agrees to furnish all of the materials, equipment and labor necessary and to abide by all the duties and responsibilities applicable to it for the project entitled "Former Eastside Cleaners Vapor Barrier Installation", in accordance with the requirements and provisions of the following documents, including all written modifications incorporated into any of the documents, which are incorporated as part of this contract:

- Bid Documents
- Bid Proposal, with required attachments
- Contract and exhibits
- Performance Bond

ARTICLE II - The Contract Sum

(A) The city shall pay to the contractor for the performance of the contract, the unit prices as given in the bid forms not to exceed twenty-eight thousand thirty dollars (\$28,030.00). No additional work shall be performed unless a change order is issued by the city.

(B) The amount paid shall be equitably adjusted to cover changes in the work ordered by the city but not required by the contract documents where there is a written change order.

ARTICLE III – Assignment

This contract may not be assigned or subcontracted without the written consent of the city.

ARTICLE IV - Choice of law

This contract shall be construed, governed, and enforced in accordance with the laws of the state of Michigan. By executing this agreement, the contractor and the city agree to a venue in a court of appropriate jurisdiction sitting within Shiawassee County for purposes of any action arising under this contract.

Whenever possible, each provision of the contract will be interpreted in a manner as to be effective and valid under applicable law. The prohibition or invalidity, under applicable law, of any provision will not invalidate the remainder of the contract.

ARTICLE V - Relationship of the parties

The parties of the contract agree that it is not a contract of employment but is a contract to accomplish a specific result. Contractor is an independent contractor performing services for the city. Nothing contained in this contract shall be deemed to constitute any other relationship between the city and the contractor.

Contractor certifies that it has no personal or financial interest in the project other than the compensation it is to receive under the contract. Contractor certifies that it is not, and shall not become, overdue or in default to the city for any contract, debt, or any other obligation to the city including real or personal property taxes. City shall have the right to set off any such debt against compensation awarded for services under this agreement.

ARTICLE VI – Notice

All notices given under this contract shall be in writing, and shall be by personal delivery or by certified mail with return receipt requested to the parties at their respective addresses as specified in the contract documents or other address the contractor may specify in writing.

ARTICLE VII - Indemnification

To the fullest extent permitted by law, for any loss not covered by insurance under this contract; contractor shall indemnify, defend and hold harmless the city, its officers, employees and agents harmless from all suits, claims, judgments and expenses including attorney’s fees resulting or alleged to result, in whole or in part, from any act or omission, which is in any way connected or associated with this contract, by the contractor or anyone acting on the contractor’s behalf under this contract. Contractor shall not be responsible to indemnify the city for losses or damages caused by or resulting from the city’s sole negligence.

ARTICLE VIII - Entire agreement

This contract represents the entire understanding between the city and the contractor and it supersedes all prior representations or agreements whether written or oral. Neither party has relied on any prior representations in entering into this contract. This contract may be altered, amended or modified only by written amendment signed by the city and the contractor.

FOR CONTRACTOR

By _____

Its: _____

Date: _____

THE CITY OF OWOSSO

By _____

Its: Benjamin R. Frederick, Mayor

Date:

By _____

Its: Amy K. Kirkland, City Clerk

Date:



OWOSSO PUBLIC SAFETY

Director of Public Safety
Kevin Lenkart

202 S. Water St. Owosso, MI 48867 Phone (989) 725-0580 Fax (989) 725-0528

MEMORANDUM

TO: City Council

FROM: Kevin Lenkart
Chief of Public Safety

SUBJECT: Purchase of Stryker Power Pro Cot

DATE: Oct 3, 2016

RECOMMENDATION:

City staff recommends council approve the purchase of one (1) Stryker Power-Pro XT Cot to be used for patient care. The Stryker Cot recommended for purchase is a Power-Pro XT Cot, Model # 6506- Demo Unit at a cost of \$15,693.00.

BACKGROUND:

The City went out to bid through MITN for the cot and received one (1) bid from Kodiak Emergency Vehicles. The new cot will be placed in an ambulance and replace a cot that is sixteen years old.

FISCAL IMPACT:

Payment for this purchase shall come from account 101-335-978.000

RESOLUTION NO.

**AUTHORIZING THE EXECUTION OF A CONTRACT FOR
PURCHASE OF ONE STRYKER AMBULANCE COT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has fire department requiring the use of ambulance cots; and

WHEREAS, said cots must be periodically replaced due to general wear and tear; and

WHEREAS, the City of Owosso sought bids for the purchase of an ambulance cot; a bid was received from Kodiak Emergency Equipment, Inc. d/b/a Kodiak Emergency Vehicles and it is hereby determined that Kodiak Emergency Vehicles is qualified to provide such equipment and that it has submitted the only 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 theretofore determined that it is advisable, necessary and in the public interest to purchase one (1) Styker Power-Pro XT Cot Model # 6506 Demo Unit from Kodiak Emergency Equipment, Inc. d/b/a Kodiak Emergency Vehicles in the amount of \$15,693.00.
- SECOND: The contract between the City and Kodiak Emergency Vehicles shall be in the form of a City purchase order and bid documents.
- THIRD: The above expenses shall be paid from the Fire Division Equipment fund 101-335-978.000.
- FOURTH: The Accounts Payable department is authorized to make payment to Kodiak Emergency Vehicles in the amount of \$15,693.00 upon satisfactory delivery of the cot.



OWOSSO PUBLIC SAFETY

Director of Public Safety
Kevin Lenkart

202 S. Water St. Owosso, MI 48867 Phone (989) 725-0580 Fax (989) 725-0528

MEMORANDUM

TO: City Council

FROM: Kevin Lenkart
Chief of Public Safety

SUBJECT: New Fire Pickup Truck

DATE: Oct 3, 2016

Request council approve the purchase of one new pick-up truck for the fire department.

Recommend council waive the competitive bid process to allow a joint purchase with another unit of government.

Owosso City Ordinance section 2-345(3) exception to competitive bidding states: Where the council shall determine that the public interest will best be served by joint purchase with, or purchase from, another unit of government.

Signature Auto Group of Owosso MI was awarded the Macomb County bid for emergency vehicles. The bid meets the definition of the aforementioned Section 2-345(3) a joint purchase with another governmental unit.

Recommend council approve the bid from Signature Auto Group of Owosso via Macomb County Cooperative Contract No. 71-15. The vehicle purchased will be a 2017 Ford F250 at a cost of \$28,217.00. The purchase will replace our current PU truck.

RESOLUTION NO.

**RESOLUTION AUTHORIZING THE EXECUTION OF A CONTRACT FOR
THE PURCHASE OF A FIRE VEHICLE WITH
SIGNATURE AUTO GROUP OF OWOSSO**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has a fire department requiring the use of fire vehicles; and

WHEREAS, these vehicles must be periodically replaced to ensure a mechanically sound and reliable fleet is available at all times; and

WHEREAS, the City of Owosso may waive competitive bidding requirements when purchasing equipment in coordination with another municipality; and

WHEREAS, the City of Owosso desires to purchase one new 2017 Ford F250 vehicle from Owosso Motors, Inc. d/b/a Signature Auto Group of Owosso, holder of the contract for emergency vehicles with Macomb County.

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

- FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to purchase one 2017 Ford F250 vehicle from Signature Auto Group of Owosso, utilizing the Macomb County Cooperative Contract No. 71-15.
- SECOND: City staff are instructed and authorized to carry out the purchase of the above named vehicle from Signature Auto Group of Owosso in the amount of \$28,217.00.
- THIRD: The accounts payable department is authorized to pay Signature Auto Group of Owosso up to the quoted amount upon satisfactory delivery of the vehicle.
- FOURTH: The above expenses shall be paid from the Fire Division Capital Outlay fund 101-335-978.000.



September 27, 2016

City of Owosso Police Department
Attn: Director Kevin Lenkart
202 South Water Street
Owosso, MI 48867

Dear Director Kevin Lenkart:

Price on 2017 Vehicle State of Michigan Contract# 071B1300009
and Macomb County Contract# 71-15 Bid:

2017 Ford F250 Regular Cab 4x4 Pickup 8' Box in Red \$28,217.00 ea

Standard Service Contract: 36,000 miles or 36 months factory Bumper to Bumper Warranty and 60,000miles 60 months Powertrain Warranty . Service to be handled by your local Ford Dealer.

Order Cutoff Date: TBD.

Ford Motor Company does not guarantee delivery---Ford Motor Company will make reasonable efforts to schedule orders received prior to fleet order cut-off date.

Payment requirements: All departments to pay on delivery of vehicle. 10-day grace period will be given if previous arrangements have been made. A \$9.50 per day floor plan will be charged if payment is not at the dealership within 10 days of delivery of the vehicle (s).

If you have any questions please call me, 888-92-FLEET (923-5338)

Respectfully Submitted,

Bill Campbell

Bill Campbell
Government & Fleet Sales

Macomb#71-15 T.4, T.5, T.6, T.7, T.8, T.9
2017 F-250 Reg. Cab,
SuperCab, Crew Cab
Major Standard Equipment

MECHANICAL

- Brakes – Four-Wheel Disc Anti-lock Brake System
- Engine 6.2L 2 Valve Gas SOHC EFI NA V8 (Flex-Fuel)
- Fuel Tanks
 - 29 Gallon (Diesel Engine) — 142" or 148" Wheelbase
 - 34 Gallon (Diesel Engine) — 160" or 164" Wheelbase
 - 34 Gallon (Gas Engine) — NA 176" Wheelbase
 - 48 Gallon (Gas and Diesel Engine) — 176" Wheelbase
- TorqShift-G six-speed automatic w/SelectShift®

EXTERIOR

- Bumpers – front & rear, black painted
- Doors
 - Two (Regular Cab only)
 - Four (SuperCab/Crew Cab only)
- Fender vents – front
- Front License Plate Bracket
- Glass – solar-tinted
- Grille – black painted
- Handles – door & tailgate, black
- Jack
 - 2-Ton mechanical (250/350 SRW)
- Lamps – pickup box and cargo area
- Moldings – tailgate and box-rail
- Tailgate – Removable w/key lock & Tailgate Lift Assist
- "Three-Blink" lane change signal
- Tow hooks – front, two (2)
- Trailer Sway Control
- Trailer Tow Package – 7-wire harness w/relays & 7/4 pin connector
- Wheels F-250/F-350 SRW – 17" Argent Painted Steel w/painted hub covers/center ornaments
 - Manual Locking Hubs (4x4)
 - Spare tire, wheel, lock & carrier
- Windshield wipers – intermittent

INTERIOR/COMFORT

- 2.3" Productivity Screen in IP Cluster
- Air conditioning – manual, single zone
- Cabin Air Particulate Filter
- Convenience
 - Coat hooks – LH/RH color-coordinated
 - Dash top tray
 - Dome Lamp – LH/RH door activated & I/P switch operated w/delay
 - Handles, grab – driver & front-passenger
 - Handles, roof ride – front-passenger (also over rear-doors on Crew Cab)
 - Map lights – dual (front and rear w/Crew Cab)
 - Powerpoint, auxiliary
- Door-trim – armrest/grab handle & reflector
- Floor covering – Black, full length vinyl
- Headliner – color-coordinated cloth
- Hood release
- Horn – dual electric
- Instrumentation – Multi-function switch message center w/Ice Blue® Lighting
- Instrument panel – color-coordinated w/dual glove box, 4 air registers w/positive shut off, powerpoint
- Instrumentation – Multi-function switch message center w/Ice Blue® Lighting
- Mirror – rearview 11.5" day/night
- Outside Temperature Display

- Overhead console w/dual storage bins and map lights (NA Regular Cab)
- Powerpoint – auxiliary two (2) in instrument panel
- Scuff plates – front, color-coordinated
- Seats – Front, HD vinyl, 40/20/40 split bench w/center armrest, cupholder and storage (manual lumbar – driver's side), front center-seat w/integrated restraint
- Steering – power
- Steering – damper
- Steering wheel – black vinyl with tilt and telescoping steering wheel/column; includes three (3) button message control
- Sun visors – color-coordinated vinyl, driver w/pocket, passenger w/uncovered mirror
- Window – Rear, fixed
- Windshield Wipers – intermittent

SAFETY/SECURITY

- AdvanceTrac® with RSC® (Roll Stability Control)
- Airbags
 - Driver and Passenger frontal and side airbag/curtain
 - Passenger side airbag deactivation switch
- Belt-Minder® (front safety belt reminder)
 - chime & flashing warning light on I/P if belts not buckled
- Child tethers (Regular Cab, front-passenger and all rear-seating positions)
- Center High-mounted Stop Lamp (CHMSL)
- Driver and passenger frontal and side airbag/curtain; passenger side deactivation Switch
- Headlamps – Quad beam jewel effect halogen
- Individual Tire Pressure Monitoring System
- Mirrors – manually telescoping two-way fold trailer tow with manual glass
- Safety belts – w/height adjustment D-ring
- Safety Canopy® System
- SecuriLock® Passive Anti-Theft System; includes MyKey® owner controls feature (PATS)
- SOS Post-Crash Alert System™
- Stationary Elevated Idle Control
- Underhood service light

DRIVER ASSIST

- AutoLamp (Auto On/Off Headlamps) with Rainlamp Wiper Activated Headlamps
- Hill Start Assist

FUNCTIONAL

- Audio – AM/FM stereo (speakers; four (4) w/Reg. Cab, six (6) w/Super and Crew Cabs)
- Axle
 - Twin I-beam front axle w/coil spring suspension (narrow front track) – 4x2 (F-250 and F-350)
 - Mono-beam front axle w/coil spring suspension (narrow front track) – 4x4 (F-250 and F-350)
 - Rear – Non-Limited-Slip (F-250/F-350)
- Battery
 - Gas engine – 650-CCA, 72-AH (XL only)
 - Diesel engine – 750-CCA, 78-AH, dual (6.7L Power Stroke® Diesel engine)
- Heavy-Duty Alternator (157 AMP)
- Intelligent Oil-Life Monitor® (6.7L Power Stroke® Diesel engine)
- Oil minder system (6.2L Gas engine)
- Shock absorbers – heavy-duty gas
- Stabilizer bar – front

9950# GVWR Regular Cab 8 Ft. Box, 142"WB, 10000# GVWR

<input type="checkbox"/>	Base Price 4x2 (F2A/600a)	\$21,399.00
<input checked="" type="checkbox"/>	Base Price 4x4 (F2B/600a)	\$23,852.00

10000# GVWR SuperCab 6 3/4 Ft. SHORT Box, 148"WB, 10000# GVWR

<input type="checkbox"/>	Base Price 4x2 (X2A/600a)	\$23,448.00
<input type="checkbox"/>	Base Price 4x4 (X2B/600a)	\$25,905.00

10000# GVWR SuperCab 8 Ft. Box, 164"WB, 10000# GVWR

<input type="checkbox"/>	Base Price 4x2 (X2A/600a)	\$23,623.00
<input type="checkbox"/>	Base Price 4x4 (X2B/600a)	\$26,085.00

10000# GVWR Crew Cab 6 3/4 Ft. SHORT Box, 160" WB, 10000# GVWR

<input type="checkbox"/>	Base Price 4x2 (W2A/600a)	\$24,554.00
<input type="checkbox"/>	Base Price 4x4 (W2B/600a)	\$27,011.00

10000# GVWR Crew Cab 8 Ft. Box , 176" WB, 10000# GVWR

<input type="checkbox"/>	Base Price 4x2 (W2A/600a)	\$24,733.00
<input type="checkbox"/>	Base Price 4x4 (W2B/600a)	\$27,194.00

<u>Available Standard Options</u>	<u>Option</u>	<u>Price</u> <u>Reg.&Super/Crewcab</u>
<input type="checkbox"/>	6.7L Power Stroke 4V Diesel V8 (B20)/TorqShift 6-Spd Auto.	99T/44W 8,595.00
<input checked="" type="checkbox"/>	Seats, 40/20/40 Split Bench Cloth	1S 100.00/315.00
<input type="checkbox"/>	Seat, Vinyl High Back Buckets (Regular Cab only)	LS 355.00
<input type="checkbox"/>	Seats, Cloth High Back Buckets	4S 515.00/615.00
<input type="checkbox"/>	Tires, LT245/75Rx17E All-Terrain (5)	TBM 165.00
<input type="checkbox"/>	Tires, LT265/70R17E OWL All-Terrain (4)(Spare is BSW)	TCD 455.00
<input type="checkbox"/>	17" Aluminum Wheels	64W 600.00
<input type="checkbox"/>	CNG/LPG Prep Fuel Capable Engine	98F 315.00
<input type="checkbox"/>	Engine Idle Shutdown (avail. w/6.7L diesel Only)	63T 250.00
<input type="checkbox"/>	Operator Commanded Regeneration (OCR) (6.7L Diesel Only)	98R 250.00
<input checked="" type="checkbox"/>	Power Windows, Locks, Heated Mirrors, and Remote Keyless Entry	90L/54K 915.00/1125.00cc
<input type="checkbox"/>	Powercode Remote Start System(Req. Power Equip. Grp.)	76S 195.00
<input type="checkbox"/>	Dual Alternators, Diesel only (total of 377 amps)	67B 115.00
<input checked="" type="checkbox"/>	Extra-Extra Heavy Duty Alternator 240 amp (Gas Engine Only)	67E 85.00
<input type="checkbox"/>	Dual Batteries (78 Amp.) (Gas Engine Only)	86M 210.00
<input type="checkbox"/>	110V/400W Outlet	43C 75.00
<input checked="" type="checkbox"/>	Electric Shift on the fly (4x4 only)	213 185.00
<input type="checkbox"/>	Keys Extra (Regular) \$35.00 x __=	Sig 35.00 ea
<input type="checkbox"/>	Keys Extra (With Power Group) \$220.00 x __=	Sig 220.00 ea
<input checked="" type="checkbox"/>	Trailer Brake Controller	52B 270.00
<input type="checkbox"/>	Transmission Power Take-Off Provision , Diesel Only	62R 280.00
<input checked="" type="checkbox"/>	Cab Steps Molded Black	18B 320.00/370.00
<input type="checkbox"/>	Privacy Glass with Heated Backlight/Rear Window Defrost	43B/924 90.00
<input type="checkbox"/>	Reverse Vehicle Aid Sensor	76R 245.00
<input type="checkbox"/>	Rear View Camera (NA w/Pickup Box Delete)	871 470.00
<input checked="" type="checkbox"/>	Roof Clearance Lights	592 80.00
<input type="checkbox"/>	Tailgate Step, Incl. Tailgate Assist, Step & Handle	85G 375.00

<input type="checkbox"/>	AM/FM w/Single CD/MP3 Player/Clock w/4 speakers	585	275.00
<input checked="" type="checkbox"/>	Speed Control	525	235.00
<input checked="" type="checkbox"/>	Upfitter Switches (6) located in overhead console	66S	165.00
<input type="checkbox"/>	Upfitter Interface Module	18A	295.00
<input type="checkbox"/>	9900 GVWR Package	68D	100.00
<input checked="" type="checkbox"/>	4x4 Off-Road Pkg (Incl.Skid Plates, E-Locking Axle & AT Tires)17X/X3E/TBM		950.00
<input type="checkbox"/>	Snow Plow Prep Package(N/A with 67H)	473	85.00
<input type="checkbox"/>	Camper Package	471	160.00
<input checked="" type="checkbox"/>	Snow Plow/Camper Package	47B	245.00
<input type="checkbox"/>	Suspension Package, Heavy Service(N/A with 473)	67H	125.00
<input type="checkbox"/>	XL Decor Group (Chrome front and rear step bumper, Bright chrome hub covers and center ornaments)	17F	220.00
<input type="checkbox"/>	XL Value Pkg (Chrome front and rear step bumper, AM/FM Stereo/Single CD w/4 Speakers, Bright chrome hub covers and center ornaments, & Cruise Control	96V	720.00
<input type="checkbox"/>	XL Value Pkg with SYNC System (All of the above listed & SYNC Entertainment & Bluetooth Technology System)	96V/91M	1085.00
<input type="checkbox"/>	Pickup Box Delete(8' box only)	66D	(465.00)
<input type="checkbox"/>	Rearview Camera Prep Kit for Box Delete (Includes Loose Camera, Wiring Bundle, and Electrochromic Mirror w/Video Display)	872	470.00
<input type="checkbox"/>	Heavy Service Package for Pickup Box Delete Only	63R	125.00
<input type="checkbox"/>	Spare Tire & Rim (for Box delete only)	512	295.00
<input type="checkbox"/>	Axle, Electronic Locking	X3_	390.00
<input type="checkbox"/>	Daytime running Lights	942	45.00
<input type="checkbox"/>	Skid Plate Package	41P	100.00
<input type="checkbox"/>	Box Link Cleats	66B	75.00
<input type="checkbox"/>	Drop in Plastic Bedliner	85L	350.00
<input checked="" type="checkbox"/>	Tough Bed(Spray-in-bedliner)	85S	495.00
<input type="checkbox"/>	Bed Mat(N/A w/85S Tough Bed Spray-in-Bedliner)	85M	180.00
<input type="checkbox"/>	Splash Guards/Mud Flaps	61S/62S	130.00
<input checked="" type="checkbox"/>	Wheel Well Liner	61M	180.00
<input checked="" type="checkbox"/>	Exterior Backup Alarm	76C	140.00
<input type="checkbox"/>	LED Box Light	66L	60.00
<input type="checkbox"/>	LED Warning Strobes-Amber	91S	655.00

Total Price \$28,217.00 ea

Colors for F-250

Exterior Colors	Interior Steel (Grey)	
Race Red	[PQ]	[x]
Blue Jeans Metallic	[N1]	[]
Caribou Metallic	[H5]	[]
Ingot Silver Metallic	[UX]	[]
Shadow Black	[G1]	[]
Oxford White	[Z1]	[]
Magnetic Metallic	[J7]	[]
SPECIAL PAINT		
School Bus Yellow Add \$835.00	[84S53]	[]
Omaha Orange Add \$640.00	[W5684E]	[]



Warrant 529 September 26, 2016

Vendor	Description	Fund	Amount
State of Michigan-MDOT	Local progress billings for paving work along west North St.	Streets Water	\$108,080.62
Orchard Hiltz & McCliment Inc.	Water reliability study	Water	\$ 2,239.00
Shiawassee Area Transportation Agency	Fy 2016/2017 local funding commitment	General	\$ 34,658.31
		Total	\$144,977.93



MEMORANDUM

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

DATE: September 29, 2016

TO: Mayor Frederick and the Owosso City Council

FROM: Planning Commission

SUBJECT: Request from Council to review Section 38-379(8) of the *Owosso Code of Ordinances* for potential revision.

RECOMMENDATION:

Planning commission hereby recommends no changes or amendments to Section 38-379(8) – Accessory buildings – of the *Owosso Code of Ordinances*.

BACKGROUND:

The Owosso city council, at their August 1, 2016 meeting, asked the planning commission to review section 38-379. – Accessory buildings – of the *Owosso Code of Ordinances* and determine if it is relevant to what people need today. The planning commission discussed this matter at both its August and September meetings and came to the following conclusion:

In trying to determine a potential solution to the request for review and potential revision, the planning commission did not see any significant problem with the way the ordinance is currently written. Planning commission also did not see an easy way to amend or change the current ordinance. With every potential solution, several other issues were created. After thorough discussion, planning commission recommends leaving the ordinance alone.

FISCAL IMPACTS:

n/a

Excerpt of Sec. 38-379. - Accessory buildings.

Accessory buildings, except as otherwise permitted in this chapter, shall be subject to the following regulations:

- (8) All recreational vehicles, boats, snowmobiles, jet skis and comparable devices along with the trailers for these items stored on individual lots shall respect the requirements of this section applicable to accessory buildings, except that side yard storage is permitted against the wall of a principal structure when these items are beneath a legal conforming carport structure or are setback at least three (3) feet from the property line and eleven (11) feet from a principal building of an adjoining parcel. Storage in a driveway is permitted when the stored item can be placed entirely behind the front wall of the principal structure.

(Code 1977, § 5.79; Ord. No. 572)



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

October 10, 2016

Dear Resident,

The City of Owosso is preparing for some major road improvements along Oliver Street, from Washington Street to Oak Street. The City is coordinating and scheduling the project with the Michigan Department of Transportation for the 2017 construction season. Plans are to remove the old road and replace it with new asphalt pavement, curb and gutter, and storm sewer; along with other street intersection improvements. The watermain will also be replaced and relocated under the north sidewalk. Most of the 2017 construction season is required to complete the work. Current schedule is to begin road work sometime around mid-May and complete all work about mid-October, 2017. Traffic will be detoured around the construction area. A detour route is included in the construction plans. Your driveway access will be maintained with limited disruptions as the work passes by your home. Watermain work will require intermittent shutdowns and the City will require its engineer's and contractors to keep you informed as to scheduling and shut down periods. Details regarding rubbish collection and mail delivery are being worked out with those servicers. The City is reviewing the project with private utility companies. Some utility work may occur early next year in advance of road construction.

The City's engineering team is ready to present preliminary plans for your review and comment. They will be available at City Hall, 301 W. Main Street, in the Council Chambers, on Thursday, November 10, 2016 from 4:00-6:00 p.m. to discuss the project and gather information. You may enter City Hall from the south parking lot and through the lower level doors. Be ready to discuss any of your special needs and concerns so we may have the opportunity to address them in a timely manner. Also inform us whether you have any irrigation systems between the sidewalk and street. Please feel free to call me at (989) 725-0550 should you have any questions. We will attempt to keep you informed as to the project and its scheduling through the city website and future notices.

Sincerely,

Randy J. Chesney, PE
City Engineer
City of Owosso

CC: City Council
Department Staff

**MINUTES
REGULAR MEETING OF THE OWOSSO PLANNING COMMISSION
COUNCIL CHAMBERS, CITY HALL
MONDAY, AUGUST 22, 2016 – 7:00 P.M.**

CALL TO ORDER: Chairperson Bill Wascher called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE: Was recited.

ROLL CALL: Roll call was taken by Deputy City Clerk Roxane Cramer.

MEMBERS PRESENT: Chairman Bill Wascher, Vice-Chair Craig Weaver, Commissioners Michelle Collison, Tom Cook, Janae Fear (7:50p.m.), Michael O'Leary, Brent Smith, and Tom Taylor.

MEMBERS ABSENT: Commissioner Frank Livingston.

OTHERS PRESENT: Susan Montenegro, Assistant City Manager and Director of Community Development; Tyler Leppanen, Assistant Director of Community Development; Troy Crowe, Crowe Properties, LLC; Feliberto Vargas and Donielle Hart.

APPROVAL OF AGENDA:

**MOTION BY COMMISSIONER COOK, SUPPORTED BY COMMISSIONER O'LEARY, TO APPROVE THE AGENDA FOR AUGUST 22, 2016.
YEAS ALL. MOTION CARRIED.**

APPROVAL OF MINUTES:

**MOTION BY COMMISSIONER TAYLOR, SUPPORTED BY COMMISSIONER SMITH TO APPROVE THE MINUTES OF JULY 25, 2016 MEETING.
YEAS ALL. MOTION CARRIED.**

COMMUNICATIONS:

1. Staff memorandum.
2. PC minutes from July 25, 2016.
3. 344 W. Main memo.
4. Site plan application packet – 1007 S. Washington.
5. Updated sign ordinance.
6. Owosso Recreational vehicle ordinance.
7. Recreational vehicle ordinances from other municipalities.

COMMISSIONER/PUBLIC COMMENTS:

None.

PUBLIC HEARINGS:

None.

SITE PLAN REVIEW:

1. **1007 S. Washington – Crow Properties LLC.**

Troy Crowe presented the site plan. He wants to build a 48 x 100 foot building on the back side of the property. The building will be located 10 foot from the lot line on the south and 17 foot in the front. The pole barn will run east to west. The building will be 24 foot tall same height as the current building. Mr. Crowe explained he cannot and does not want access from Park Street. There is a 6 foot fence on north and south side of the property and a chain link fence on the east side with an earthen berm and pine trees along it.

Commissioner Taylor wanted to know if he was going to replace the existing fence. Mr. Crowe said he would leave it as is. Ms. Montenegro explained that the city council approved the rezoning with the following deed restrictions that will follow the property.

- a. There will be no vehicular access from the property to South Park Street.
- b. A 6' privacy fence shall be erected and maintained in perpetuity along the north and south ends of the property, the exact location and length of which shall be determined by the Planning Commission.
- c. An earthen berm and vegetative screening along the property's border with South Park Street be maintained in perpetuity.

Commissioners were concerned about the vegetation for screening. Chairman Wascher questioned if the berm is located in the city right of way. Commissioner Cook suggested that lower type vegetation be added. Commissioner Cook asked if the property was located in the flood zone. Ms. Montenegro stated it is not in the flood plain. Vice Chair Weaver questioned about the condition of the current fences. Mr. Crowe said they are your typical wood fences erected he would guess in early 2000. Commissioner Cook pointed out that it states the planning commission has the right to dictate the length of the fence. Troy Crowe explained the insurance company is making him put a fence all around the property. Commissioner O'Leary stated he was ready to make a motion. He believes that Mr. Crowe has gone out of his way to demonstrate that he is willing to work with them. Chairman Wascher asked if he wanted to make any stipulations about adding more vegetation for screening. Commissioner O'Leary responded that he didn't think it was necessary because he felt if you went to Mr. Crowe and asked he would do that. Commissioner Cook stated he felt council wanted a vegetative screen. He also said where there are gaps he felt there should be more vegetation. Vice-Chair Weaver asked if the motion should include working with his neighbor on the side regarding the fence. Ms. Montenegro stated that council had stipulated that the fence would be there as a deed restriction. Vice-Chair Weaver then pointed out that the deed restriction states that the length and location can be dictated by the Planning Commission.

MOTION BY COMMISSIONER O'LEARY, SUPPORTED BY COMMISSIONER SMITH, THAT THE OWOSSO PLANNING COMMISSION HEREBY APPROVES THE APPLICATION FOR SITE PLAN REVIEW FOR 1007 S WASHINGTON AS PRESENTED.

COMMISSIONER O'LEARY AMMENDED THE MOTION, SUPPORTED BY COMMISSIONER SMITH, TO INCLUDE THAT THE FENCE ON THE SOUTH SIDE BE TAKEN DOWN USING THE BUILDING AS SCREEN AND PUTTING UP 6 FOOT FENCE FROM THE BUILDING TO THE END OF THE PROPERTY LINE.

AYES: Commissioners O'Leary, Vice Chair Weaver, Commissioners Smith, and Collison.

NAYS: Commissioners Cook, Taylor and Chairman Wascher.

ABSENT: Commissioners Fear and Livingston.

BUSINESS ITEMS:

None.

ITEMS OF DISCUSSION:

1. 344 W. Main.

Ms. Montenegro addressed the planning commission explaining the City of Owosso ordinance allows ground floor apartments in a B-4 setting but it requires a special use permit. The former Dollar General is zoned B-4. If the city tried to issue a variance for 344 West Main there are 9 fact finding questions. The first question is, "Is it self-created?" the answer would be yes because there currently no ground floor apartments there. It would fail and not qualify for a special use permit. However, ground floor apartments are allowed in Westtown between Cedar and State Street and almost all of Westtown is zoned B-3. Ms. Montenegro stated the owner wants to put 3 ground floor apartments near the arts center. She believes that is to make them ADA approved; however, that will have to be clarified. Mr. Leppanen stated if it could be granted for the building he felt it would be a variance to chapter 38-173. Ms. Montenegro stated it will be sent to the Zoning Board of Appeals for them to interpret the zoning ordinance. Commissioners also discussed the former use of the building. An auto repair facility was there at one time.

2. Sign ordinance.

Commissioners Cook and O'Leary stepped out of the room for the discussion on signs due to their ownership in signs companies.

Ms. Montenegro wanted the commissioners to look through the sign ordinance that has been tweaked for City of Owosso and give their feedback. Mr. Leppanen explained the things that are highlighted are changes or things need to be changed. Commissioners had a lengthy discussion regarding signs. Some of the highlighted areas of concern were if the ordinance covered LED signs. What it covers regarding painted signs, the size of signs on buildings, regulating brightness on LED signs. There were questions regarding signs painted on buildings what they are considered. Ms. Montenegro explained she believed that they are painted signs like the ones on the Wildermuth Hotel and the Quaker Oats painting. Such paintings would be considered murals and they are approved through the Downtown Historical District Commission. Ms. Montenegro told the commissioners that they could seek clarification from the building inspector on any questions with regards to the sign ordinance.

3. Recreational vehicle storage.

Ms. Montenegro explained that city council asked the planning commission to take a look at the recreational vehicle ordinance. Ms. Montenegro had given to commissioners zoning ordinances from the Village of Lake Isabella, City of Midland and City of Marshall regarding recreational vehicle parking.

Feliberto Vargas, 871 Krust Drive, stated he received a letter regarding his boat being parked in his driveway. He showed the commission pictures of his boat parked beside his pickup truck. He pointed out the boat isn't any longer than the pickup truck and does not obstruct the view. Mr. Vargas stated he feels that the ordinance makes people move out of the City of Owosso. He has been parking his boat in his driveway for about 3 years and this is the first time he has heard anything about the ordinance. After the boating season is over he stores the boat on the side of his house.

Commissioner Fear asked Mr. Leppanen about the incident she asked if there had been a complaint. Mr. Leppanen stated there had been a complaint on this. Vice Chair Weaver explained to Mr Castillo that this is a process and would take a few meetings to figure it out. He invited Mr. Vargas back to witness the process.

Commissioner O'Leary suggested an exception to the ordinance for boats during the boating season.

Commissioner Cook asked the regulation for automobiles. Ms. Montenegro reported that they have to operable, licensed and insured.

Commissioners had a discussion regarding the regulation and discussed the zoning ordinances from the other communities as compared to City of Owosso's Ordinance.

Secretary Fear asked for Mr. Leppanen to find out how many have been cited for the violation. Mr. Leppanen said not that many because it is a complaint based. Secretary Fear asked him to find out the specific number.

Commissioners asked Mr. Leppanen to work on modifying the ordinance to accommodate recreational vehicles.

COMMISSIONER/PUBLIC COMMENTS:

Secretary Fear apologized for being late and she asked about the first agenda item.

Commissioner Cook asked if the landscaping issue had been addressed at the Dollar General. Ms. Montenegro reported she had not contacted them yet but will put it on her list.

ADJOURNMENT:

**MOTION BY VICE-CHAIR WEAVER, SUPPORTED BY COMMISSIONER COLLISON TO ADJOURN AT 8:36 P.M.
YEAS ALL, MOTION CARRIED.**

Janae Fear, Secretary

rc

**PARKS AND RECREATION COMMISSION
REGULAR MEETING
TUESDAY, AUGUST 23, 2016 – 7:30 p.m.
City Hall Council Chambers
301 W. Main St. Owosso, MI 48867**

- CALL TO ORDER:** Chairman Espich called the meeting to order at 7:30 p.m.
- PLEDGE OF ALLEGIANCE:** Was recited.
- ROLL CALL:** Was taken by Deputy City Clerk Roxane Cramer.
- MEMBERS PRESENT:** Chairman Mike Espich, Vice Chair Jeff Selbig, and Commissioner Shane Nelson.
- MEMBERS ABSENT:** Commissioners Kristen Woodbury and Randy Woodworth.
- OTHERS PRESENT:** Eve Hickey, Marissa Rose and the leaders from Girl Scout Troop 30331; Tyler Leppanen, Assistant Director of Community Development.
- APPROVAL OF AGENDA:** **COMMISSIONER NELSON MADE A MOTION TO APPROVE THE AGENDA FOR AUGUST 23, 2016, WITH THE FOLLOWING CHANGE: ITEM NO. 2, TRAIL UPDATE BY RICK MORRIS MOVED TO NEXT MONTH, SUPPORTED BY VICE-CHAIR SELBIG. AYES ALL, MOTION CARRIED**
- APPROVAL OF MINUTES:** **COMMISSIONER NELSON MADE A MOTION TO APPROVE THE MINUTES FOR THE MEETING OF JULY 26, 2016, SUPPORTED BY VICE CHAIR SELBIG. AYES ALL, MOTION CARRIED**
- PUBLIC COMMENTS:** None.

COMMUNICATIONS:

1. Staff memorandum
2. Minutes from July 26, 2016

BUSINESS:

1. Girl Scout Troop 30331 “Little Free Library” at Bentley Park

Eve Hickey and Marisa Rose, from Girl Scout Troop 30331, explained to the commission that they want to earn a bronze award. In order to receive this award they need to do something to help their community. Troop 30331 decided they would like to install a “Little Free Library”. They explained that this is a box or cupboard placed outdoors for anyone in the community to use. You can borrow a book from it and return it or donate a different book. They chose Bentley Park near the round gazebo because they felt it is a popular spot and it would be used frequently. The girls stated if the commission didn’t think Bentley Park is a good spot they would take a suggestion from them as where to place a Little Free Library. The girl scouts mentioned another spot could be in the grassy area next to the

Shiawassee Arts Council. They will be building this with the help of their leaders. They explained Troop 30331 would be responsible for the care and maintenance of it. They thought a motion sensor light on or near it would discourage vandalism.

Vice Chair Selbig asked why not install one in both locations. The girls and their leader agreed to both locations. Their leader was in the audience and explained the girls had to come up with the idea and how to build it. Leaders can only guide them.

Commissioner Nelson stated he was for this idea and his family would be willing to donate books for it. He also stated that the YMCA manages Bentley Park in the summer and would be able to help out with the Little Free Library. He asked the girls when they will be starting the project. They said the end of September. Commissioner Nelson also offered to help with donation of books from other people in the community and to store the books at the YMCA.

Chairman Espich stated he has enjoyed using the Little Free Library on Washington Street for many years.

MOTION BY VICE-CHAIR SELBIG TO ALLOW PLACEMENT OF A “LITTLE FREE LIBRARY” AT BENTLEY PARK BY GIRL SCOUT TROUP 30331, MOTION SUPPORTED BY COMMISSIONER NELSON.

Roll Call Vote.

AYES: Vice Chair Selbig, Commissioner Nelson and Chairman Espich.

NAYS: None.

ABSENT: Commissioners Woodbury and Woodworth.

MOTION BY COMMISSIONER NELSON TO ALLOW PLACEMENT OF A “LITTLE FREE LIBRARY” BY GIRL SCOUT TROUP 30331 AT CURWOOD CASTLE PARK, MOTION SUPPORTED BY VICE-CHAIR SELBIG.

Roll Call Vote.

AYES: Commissioner Nelson, Vice Chair Selbig and Chairman Espich.

NAYS: None.

ABSENT: Commissioners Woodbury and Woodworth.

2. Trail Update from Rick Morris.

Moved to next month.

3. Disc Golf Update.

Chairman Espich reported that there was a construction session held at 1 p.m. at Collamer Park to prepare for the disc golf course. There will be a work session every Saturday. They meet on the east end of the Lake off Palmer Street. He also reported that there is a Facebook Page for the Hopkins Lake Disc Golf Course. This will have all the updates on the course.

Mr. Leppanen reported that Norm Campbell called and says he owns the property where the cell phone tower is located. He says holes, number 14 & 15, are on his property. Chairman Espich says

there is a fence around the tower pretty close to the tower. Chairman Espich believes he has a right of way off of Palmer but doesn't believe Mr. Campbell owns that property. The fairways of holes 14 and 15 go over the water. Mr. Leppanen says he will be working on this and figure it out. He may contact Landmark to find out where the lines are.

3. Skate Park Update.

Mr. Leppanen explained that the Parks and Rec Commission will need to update the 5 year plan if the commission plans on applying for the DNR grant next year. Vice Chair Selbig thought they should have the plan done by November because December is usually an off month. Chairman Espich reported that 5 years ago they sent the update to council in August or September. Mr. Leppanen explained that was a large update and he didn't think this would be such a large update. Chairman Espich stated for the record that the discussion was now covering both business items #4 and #5.

The commission discussed the updated drawings from Spohn Ranch for the skate park located at the Holman Pool site. Chairman Espich questioned Mr. Leppanen if the drawings took into consideration the elevation. Mr. Leppanen reported he wasn't certain but knew the designer had used Google for the design. Mr. Leppanen felt that further into the process the design would take that into consideration.

Chairman Espich asked Mr. Leppanen if he knew the exact amount that has been raised for the skate park. Mr. Leppanen knew it was around \$23,000.00. Chairman Espich asked Mr. Leppanen to find out the exact amount. Mr. Leppanen said he would find out that amount and bring the information to the next meeting.

Vice Chair Selbig questioned if they could check with other designers of skate parks. He also would like to check with designers based in Michigan. Chairman Espich shared when he was looking for skate park designers most of them were West Coast based. Mr. Leppanen stated that there wasn't anything tying them to Spohn Ranch. Vice-chair Selbig would like to get other quotes from other companies.

4. Discussion of Updating Parks & Recreation Master Plan.

Chairman Espich questioned if the best way would be to update the master plan. Mr. Leppanen suggested a park by park update. Chairman Espich suggested assigning parks for the next meeting. The commission chose Bennett, Memorial (Adams Park) and Grand Avenue Park. Chairman Espich asked the commissioners to review the Parks and Recreation Master Plan. Mr. Leppanen stated that commissioners have until April to update the Parks and Recreation Plan and would still be able to apply for the DNR grant.

DISCUSSION: None.

PUBLIC COMMENTS: None.

ADJOURNMENT: VICE CHAIR SELBIG MADE THE MOTION TO ADJOURN AT 8:16 P.M.,
SUPPORTED BY COMMISSIONER NELSON.
AYES ALL, MOTION CARRIED.