

**CITY OF OWOSSO  
REGULAR MEETING OF THE CITY COUNCIL  
MINUTES OF JANUARY 17, 2017  
7:30 P.M.**

**PRESIDING OFFICER:** MAYOR PRO-TEM SUSAN J. OSIKA

**OPENING PRAYER:** REVEREND RAY STRAWSER  
MEMORIAL HEALTHCARE HOSPICE CHAPLAIN

**PLEDGE OF ALLEGIANCE:** ELIZABETH WEHMAN  
THE INDEPENDENT NEWSGROUP EDITOR

**PRESENT:** Mayor Pro-Tem Susan J. Osika, Councilpersons Loreen F. Bailey, Burton D. Fox, Elaine M. Greenway, Daniel A. Law, and Robert J. Teich, Jr.

**ABSENT:** Mayor Christopher T. Eveleth.

**APPROVE AGENDA**

Motion by Councilmember Greenway to approve the agenda with the following change:

Move Consent 1. Rappuhn Property Buy-Back to Items of Business 3.

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

**APPROVAL OF THE MINUTES OF REGULAR MEETING OF JANUARY 3, 2017**

Motion by Councilmember Fox to approve the Minutes of the regular Meeting of January 3, 2017 as presented.

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

**PROCLAMATIONS / SPECIAL PRESENTATIONS**

None.

**PUBLIC HEARINGS**

None.

**CITIZEN COMMENTS AND QUESTIONS**

Tom Manke, 2910 W. Main Street, inquired how the Council reached an agreement on the buy-back of the Rappuhn property without violating the open meetings act. Mayor Pro-Tem Osika indicated the item had been pulled from the Consent Agenda for discussion and his question would be answered at that time.

Janae Fear, president of the Osburn Lakes HOA, also asked that the property buy-back item be discussed before it was acted upon. She relayed her concern that Council would be setting a poor precedent if they approve the buy-back and asked them to consider refusing the settlement. She also clarified an error in the memo addressing the item saying there is no provision in the documents governing the development that sets a timeline for construction.

Dan McMaster, County Commissioner District 2, was on hand to give an update on the latest topics addressed by the Commission. He noted the Commission instituted a moratorium on wind turbines to allow time to update the zoning code, the mileage reimbursement rate was updated to the current IRS rate, additional meetings were added to the list of those for which mileage could be reimbursed, the new sheriff is settling into his new job, members of the clerk's office staff were laid off, and a pay study involving all county staff and elected officials is now underway.

Councilmember Fox asked that the Commission reconsider the provision of health care benefits to Commissioners and said that he felt that Commission meetings should be held later in the day. Commissioner McMaster indicated that he agreed with Mr. Fox on both issues and noted that he had suggested meeting at 6:00 or 7:00 pm but faced significant opposition.

Councilmember Fox inquired whether staff had looked into the filing fee issue he had brought up a while back. He said he was still waiting for an answer. Mayor Pro-Tem Osika asked the City Manager to investigate the matter and report back at the next meeting.

Councilmember Fox went on to say that he would like to see more use of the DuraPatch machine and would like the City to consider purchasing a heated tank to store a quantity of the asphalt material it requires instead of taking the machine to a supplier each time it requires more material.

Assistant City Manager Susan K. Montenegro gave a short presentation on the current efforts of the Parks & Recreation Commission to update the Parks Master Plan, to secure a significant grant for the construction of a new concrete skate park, and to raise the matching funds required by the grant through a community fund-raising effort. Following her presentation there was discussion regarding involving the potential users of the skate park in the fund raising effort, ways to raise funds, and whether there was enough interest in skateboarding to justify the investment.

**CITY MANAGER REPORT**

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

**CONSENT AGENDA**

Motion by Councilmember Fox to approve the Consent Agenda as follows:

**Rappuhn Property Buy-Back.** (This item was moved to Items of Business.)

**Bid Award & Contract Amendment No. 1 - Hintz Road Well Access Drive Reconstruction.**

Approve bid award to Perrin Construction Co., Inc. for reconstruction of the Hintz Road Well Access Drive in the amount of \$18,000.00, further approve an additional \$6,000.00 for contingencies, and authorize payment up to the bid amount plus the contingency upon satisfactory completion of the project, and further authorize Contract Amendment No. 1 waiving the performance bond requirement and extending the deadline for completion of the project as follows:

**RESOLUTION NO. 12-2017**

**AUTHORIZING A CONSTRUCTION SERVICES AGREEMENT,  
CONTRACT AMENDMENT NO. 1 AND PAYMENT TO  
PERRIN CONSTRUCTION CO., INC. OF DURAND, MICHIGAN  
FOR RECONSTRUCTION OF THE HINTZ ROAD WELL-FIELD ACCESS DRIVE**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Water Replacement Fund for the reconstruction of an access drive on city of Owosso property located at 1261 North Hintz Road, and

WHEREAS, reconstruction of the access drive is intended to restore the original conveyance providing necessary access for maintenance vehicles to the Hintz Road Well-Field , and

WHEREAS, the City Director of Public Services received competitive bids from eight (8) construction contractors, and recommends Perrin Construction Co., Inc. as the low, responsible, and responsive bidder to provide the construction services in the amount of \$18,000.00; and

WHEREAS, due to the lower than expected project amount the City suggests a waiver of the performance bond required by the bid documents in favor of withholding payment on the project until such time as the project is completed and accepted by the city of Owosso, and

WHEREAS, unforeseen interruptions have delayed award of the bid necessitating an extension of the deadline for completion noted in the bid documents by 45 days.

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 Perrin Construction Co., Inc. for the reconstruction of the Hintz Road well-field access drive.

SECOND: It is further determined that it is advisable, necessary and in the public interest to waive the performance bond requirement and to extend the completion deadline for the project by 45 days.

THIRD: The mayor and city clerk are instructed and authorized to sign the documents substantially in the form attached:

Exhibit A – Contract for Construction Services between the city of Owosso, Michigan and Perrin Construction Co., Inc. in the amount of \$18,000.00; and

Exhibit B – Amendment No. 1 to the Hintz Road Well Access Drive Reconstruction Contract, waving the performance bond requirement and extending the completion deadline by 45 days.

FOURTH: The accounts payable department is authorized to submit payment to Perrin Construction Co., Inc. in the amount of \$18,000.00, plus contingency expense in the amount of \$6,000.00, for a total amount of \$24,000.00 upon satisfactory completion of the work.

FIFTH: The above expenses shall be paid from the FY 2016-2017 Water Replacement Fund Account 591-901-977.000.

**Addendum No. 1 - Sanitary Sewer Cleaning Services Contract.** Authorize Addendum No. 1 to the Sanitary Sewer Cleaning Services Contract with Safeway Transport, Inc. for the cleaning, televising, and PACP coding of storm sewer mains in the vicinity of upcoming street projects in the amount of \$20,835.46, approve a contingency of \$4,000.00, and further authorize payment to the contractor up to the amount of Addendum No. 1, including contingency, upon satisfactory completion of the work or portion thereof as detailed below:

**RESOLUTION NO. 13-2017**

**AUTHORIZE SERVICE AGREEMENT ADDENDUM NO. 1 AND PAYMENT TO SAFEWAY TRANSPORT, INC. FOR CLEANING, TELEVISIONING, AND PACP CODING OF STORM SEWERS**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted in the FY2016-2017 Local and Major Street Funds for the cleaning, inspection, and condition assessment of storm sewers at various locations in the city of Owosso, and

WHEREAS, the above services are necessary for assessing the level of repair and/or replacement of storm sewers in preparation for proposed street construction, and

WHEREAS, the Council approved a contract with Safeway Transport, Inc. for the cleaning of sanitary sewer mains in June 2016; and

WHEREAS, the City Director of Public Services recommends amending the existing contract with Safeway Transport, Inc. to add the above services as Addendum No.1.

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 Safeway Transport, Inc. of Romulus, Michigan for the cleaning, inspection, and PACP coding of storm sewers.

SECOND: The accounts payable department is authorized to submit payment to Safeway Transport, Inc. in the amount of \$20,835.45, plus contingency expense in the amount of \$4,000.00, for a total amount of \$24,835.45 upon satisfactory completion of the additional work or a portion thereof.

THIRD: The above expenses shall be paid from the FY 2016-2017 Local Street Fund Account 203-463-818.000 in amount of \$3,306.40, and Major Street Fund Account 202-463-818.000 in amount of \$17,529.05. Contingency expenses shall be apportioned as appropriate.

**Bid Award - WWTP Screw Pump No.1 Gear Reducer.** Approve bid award to All Around Basketball, L.L.C. dba AAB Global, LLC for the purchase of one Dodge-Baldor screw pump gear reducer in the amount of \$9,486.10, further approve a contingency of \$1,000.00, and authorize payment to the vendor upon satisfactory delivery of said equipment as described in the following resolution:

**RESOLUTION NO. 14-2017**

**AUTHORIZING A PURCHASE ORDER FOR THE PURCHASE OF ONE GEAR REDUCER AND ASSEMBLY COMPONENTS FOR THE WASTEWATER TREATMENT PLANT FROM AAB GLOBAL, LLC**

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

WHEREAS, the existing gear reducer has not performed to the manufacturer's service life expectations, and it has been determined that replacement with original manufacturer components is more cost effective in the long-run; and

WHEREAS, bids were sought and the City Public Services Director has reviewed the bid proposals and verified the components needed to restore the screw pump to full capacity, and recommends bid award to All Around Basketball, L.L. C dba AAB Global, LLC for the provision of the required gear box reducer and associated assembly components in an amount not to exceed \$9,486.10, plus contingency installation components of up to \$1,000.00.

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 All Around Basketball, L.L. C dba AAB Global, LLC for the purchase of one Dodge-Baldor TA7315H25 screw pump gear box reducer and assembly components for use at the Wastewater Treatment Plant.

SECOND: The contract between the city and AAB Global, LLC shall be in the form of a city purchase order and bid documents.

THIRD: The accounts payable department is authorized to submit payment to AAB Global, LLC in an amount not to exceed \$9,486.10, plus a contingency in an amount not to exceed \$1,000.00, for a total of \$10,486.10.

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

**Warrant No. 536.** Authorize Warrant No. 536 as follows:

Vendor	Description	Fund	Amount
Logicalis, Inc.	Network engineering- December 2016	General	\$5,488.00
Owosso Charter Township	Owosso Twp 2011 Water Agreement payment - 10/1/16-12/31/16	Water	\$9,141.90
Caledonia Charter Township	Caledonia Utility Fund payment- 10/1/16-12/31/16	Water	\$21,864.57
Hach Company	WWTP-Composite sampler	WWTP	\$6,171.90
William C. Brown, P.C.	Professional services- 12/13/16-1/9/17	General	\$7,764.12
Safebuilt, Inc.	Building department services- December 2016	General	\$10,400.00

**Check Register – December 2016.\*** Affirm check disbursements totaling \$1,556,755.17 for December 2016.

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

**ITEMS OF BUSINESS**

**Auction Property Sale Authorization – 300 S. Washington Street**

City Manager Crawford noted that the property in question had been part of the auction held in May last year. The original buyer backed out of the deal and the 2<sup>nd</sup> place buyer was no longer interested in the property so the 3<sup>rd</sup> place buyer, Trust Thermal, was approached regarding purchasing the property. They expressed a continued interest in the property and agreed to honor their original bid of \$8,580.00.

Motion by Councilperson Bailey to authorize sale of the property at 300 South Washington Street to Trust Thermal in the amount of \$8,580.00 as follows:

**RESOLUTION NO. 15-2017**

**AUTHORIZING THE SALE OF CITY-OWNED PROPERTY**

WHEREAS, the city owns a parcel of property located at 300 S. Washington Street, also known as parcel # 050-470-000-011-00; and

WHEREAS, the Owosso city council voted to sell the parcel listed above as part of an online auction that ended on May 12, 2016; and

WHEREAS, the highest bidder for this parcel refused to honor his bid; and

WHEREAS, the second highest bidder was no longer interested in the property; and

WHEREAS, the third highest bidder, Trust Thermal Abatement, Inc., is willing to honor their original bid price of "\$8,580.00 for the parcel listed; and

WHEREAS, the parcel in question is of no use to the City and the City still desires its sale; and

WHEREAS, the City Council authorized a 21-day posting period prior for the proposed sale at the meeting of March 11, 2016; and

WHEREAS, no citizen comments or other offers for the property were received during the posting period.

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

FIRST: the property be sold to Trust Thermal Abatement, Inc. for the bid price of \$8,580.00 in accordance with the terms of the Auction Listing Agreement entered into on March 7, 2016 with Sheridan Realty & Auction Company.

SECOND: the Mayor and City Clerk are instructed and authorized to execute appropriate documents to execute the sale.

THIRD: The city attorney is authorized to prepare the deeds for sale.

Motion supported by Councilperson Greenway.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Bailey, Teich, Greenway, Fox, and Law.

NAYS: None.

ABSENT: Mayor Eveleth.

**Special Assessment District No. 2017-01 Oliver Street from Washington Street to Oak Street**

City Manager Crawford distributed information on the proposed special assessment district and explained how special assessments are calculated based on the benefit received. Some of the work in this particular project will not directly benefit the parcels with frontage along the project route, the cost for which would be paid by the City. He went on to say that the assessments for this project would be financed over a period of twenty years in an effort to keep the payments reasonable.

Councilmembers Bailey and Teich sought clarification regarding alternative methods for paying for the project and where the funds would come from. City Manager Crawford indicated the City could dip into bond funds for the project or cancel the project. At this time the plan to finance the project includes implementing a special assessment district, grant funding, and monies from the Major Street Fund. Bond funds are not proposed for use on this project.

Motion by Councilperson Fox to authorize Resolution No. 2 setting a public hearing for Monday, February 6, 2017 for proposed Special Assessment District No. 2017-01 for Oliver Street from Washington Street to Oak Street (Phase 1) for street reconstruction as follows:

**RESOLUTION NO. 16-2017**

**SETTING THE PUBLIC HEARING OF NECESSITY  
FOR THE PROPOSED SPECIAL ASSESSMENT DISTRICT  
OLIVER STREET FROM WASHINGTON TO OAK**

WHEREAS, the City Council has ordered the City Manager to prepare a report for public improvement, more particularly hereinafter described; and

**Oliver Street, Public Street, from Washington Street to Oak Street, Street Reconstruction**

WHEREAS, the City Manager prepared said report and the same has been filed with the City Council as required by the Special Assessment Ordinance of the City of Owosso and the Council has reviewed said report.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The plans and estimate of cost and the report of the City Manager for said public improvement shall be filed in the office of the City Clerk and shall be available for public examination.

2. The City Council hereby determines that the Public Improvement hereinafter set forth may be necessary.
3. The City Council hereby approves the estimate of cost of said public improvement to be \$242,629.20 and determines that \$97,051.68 thereof shall be paid by special assessment imposed on the lots and parcels of land more particularly hereinafter set forth, which lots and parcels of land are hereby designated to be all of the lots and parcels of land to be benefited by said improvements and determines that \$145,577.52 of the cost thereof shall be paid by the City at large because of benefit to the City at large.
4. The City Council hereby determines that the portion of the cost of said public improvement to be specially assessed shall be assessed in accordance with the benefits to be received.
5. The City Council shall meet at the Owosso City Hall Council Chambers on Monday, February 6, 2017 for the purpose of hearing all persons to be affected by the proposed public improvement.
6. The City Clerk is hereby directed to cause notice of the time and place of the hearing to be published once in The Argus Press, the official newspaper of the City of Owosso, not less than seven (7) days prior to the date of said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of property subject to assessment, as indicated by the records in the City Assessor's Office as shown on the general tax roll of the City, at least (10) full days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.
7. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF SPECIAL ASSESSMENT HEARING  
CITY OF OWOSSO, MICHIGAN

TO THE OWNERS OF THE FOLLOWING DESCRIBED PROPERTY:

**Oliver Street, Public Street, from Washington Street to Oak Street**

TAKE NOTICE that the City Council intends to acquire and construct the following described public improvement: **Street Reconstruction.**

The City Council intends to defray apart or all of the cost of the above-described public improvement by special assessment against the above described property.

TAKE FURTHER NOTICE that City Council has caused plans and an estimate of the cost and report for the above described public improvement to be prepared and made by the City Manager and the same is on file with the City Clerk and available for public examination.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall Council Chambers, Owosso, Michigan at 7:30 o'clock p.m. on Monday, February 6, 2017 for the purpose of hearing any person to be affected by the proposed public improvement.

Motion supported by Councilmember Greenway.

Roll Call Vote.

AYES: Councilmembers Teich, Fox, Bailey, Greenway, Law, and Mayor Pro-Tem Osika.

NAYS: None.

ABSENT: Mayor Eveleth.

**Rappuhn Property Buy-Back** (This item was moved from the Consent Agenda.)

Mayor Pro-Tem Osika indicated she had been contacted by a citizen that wanted this item pulled for discussion.

The City Attorney was asked to describe how the proposed settlement was reached. City Attorney Brown explained that the proposed settlement before the Council was the result of negotiations he conducted with the Rappuhn's attorney guided by suggestions he received from Council during closed session. The proposed settlement releases the City and its realtor from liability in exchange for a refund of the purchase price less expenses.

Motion by Councilmember Fox to authorize the buy- back of Unit 55 of Osburn Lakes Condominium Project, commonly known as 1281 Holly Court from Jack and Judith Rappuhn in

the amount of \$15,780.62 in exchange for an agreement releasing the City and its realtor of any and all claims arising from the sale/purchase of 1281 Holly Court, Owosso.

Motion supported by Councilmember Teich.

Roll Call Vote.

AYES: Councilmembers Teich, Fox, Mayor Pro-Tem Osika, Councilmembers Greenway, and Law.

NAYS: Councilmember Bailey.

ABSENT: Mayor Eveleth.

### **COMMUNICATIONS**

Glenn M. Chinavare, Public Services Director. Lane Markings at the Intersection of M-52 & M-21.  
N. Bradley Hissong, Building Official. December 2016 Building Department Report.  
N. Bradley Hissong, Building Official. December 2016 Code Violations Report.  
Kevin D. Lenkart, Public Safety Director. December 2016 Police Report.  
Kevin D. Lenkart, Public Safety Director. December 2016 Fire Report.  
Parks & Recreation Commission. Minutes of December 13, 2016.

There was discussion regarding the report on the M-52 & M-21 intersection. A number of Councilmembers commented on the traffic problems they have seen and/or experienced at the intersection. They suggested looking at other possible lane marking configurations and signage.

### **CITIZEN COMMENTS AND QUESTIONS**

There were no citizen comments.

Councilmember Fox suggested the Council hold a joint meeting with the surrounding jurisdictions to foster cooperation across municipal boundaries. He indicated he was particularly interested in exploring the idea of combining some policing efforts in light of the fact that it continues to get harder for each municipality to maintain its own independent operation. Mayor Pro-Tem Osika indicated the SEDP and the Chamber of Commerce have invited all local elected officials to a meet and greet and only 3 people have indicated they would attend the event.

Mayor Pro-Tem Osika went on to announce the ground-breaking that will be held Friday at 9:00am to celebrate the construction of new office space and a meeting room at Tri-mer.

Councilmember Teich sought to clarify his support of the property buy-back saying he was not in favor of taking the property back but he could see the legal merits of the arguments on both sides and so made his decision by comparing the cost of potential litigation to the cost of the lot. He went on to say that he wanted to make sure that it didn't happen again by ensuring proper signage is put up. City Manager Crawford said he is working toward a solution but had found there was no clear rule to marking the boundaries of a wetland and further research would be required. Councilmember Teich suggested saving time and money by simply marking the vacant lots in the development.

Councilmember Fox said he was concerned that the City isn't required to disclose wetlands by law and wanted a rule put in place that would require the City to make such a disclosure in the future. He also indicated his desire for the City to be out of the "developer" role all-together.

Councilmember Bailey thanked the newspapers for advertising the upcoming free cat shelter workshop.

### **NEXT MEETING**

Monday, January 30, 2017, 5<sup>th</sup> Monday Meeting  
Monday, February 6, 2017 – Regular Meeting

### **BOARDS AND COMMISSIONS OPENINGS**

Building Board of Appeals – Alternate - term expires June 30, 2018

### **ADJOURNMENT**

Motion by Councilmember Bailey for adjournment at 9:08 p.m.

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

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Susan J. Osika, Mayor Pro-Tem

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Amy K. Kirkland, City Clerk

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