

**CITY OF OWOSSO  
REGULAR MEETING OF THE CITY COUNCIL  
MINUTES OF DECEMBER 3, 2018  
7:30 P.M.**

- PRESIDING OFFICER:** MAYOR CHRISTOPHER T. EVELETH
- OPENING PRAYER:** THOMAS MANKE  
EDITOR, FACEBOOK.COM/FRIENDSANDNEIGHBORSOWOSSO
- PLEDGE OF ALLEGIANCE:** MAYOR PRO-TEM SUSAN J. OSIKA
- PRESENT:** Mayor Christopher T. Eveleth, Mayor Pro-Tem Susan J. Osika, Councilmembers Loreen F. Bailey, Janae L. Fear, Jerome C. Haber, Daniel A. Law, and Nicholas L. Pidek.
- ABSENT:** None.

**APPROVE AGENDA**

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

**CONSENT AGENDA**

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

Name	Board/Commission	Term Expires
Amber Fuller*	Board of Review	12-31-2023
Jerry Haber	City of Owosso Employees' Retirement System Board of Trustees	11-14-2022
<del>Loreen Bailey</del>	<del>City of Owosso Employees' Retirement System Board of Trustees</del>	<del>11-09-2020</del>
Christopher Eveleth*	Zoning Board of Appeals	11-14-2022

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

**APPROVAL OF THE MINUTES OF REGULAR MEETING OF NOVEMBER 19, 2018**

Motion by Mayor Pro-Tem Osika to approve the Minutes of the Regular Meeting of November 19, 2018 as presented.

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

**PROCLAMATIONS / SPECIAL PRESENTATIONS**

**2017-18 Audit Presentation**

Joe Verlin, CPA, principal at Gabridge & Company, PLC was on hand to deliver a presentation detailing the City's 2017-18 Audit. He said the City had received an unmodified opinion (clean opinion), staff was helpful throughout the audit process, and there were no adjusting journal entries needed. He went on to report that General Fund revenues had exceeded expenditures by \$371,208, strong investment returns helped the pensions gain significant ground over the previous year, and the long-term outlook for the City's finances is improving. The City has a very healthy unassigned fund balance as compared to expenditures and there was an overall decrease in the balance of all governmental funds (\$1.36 million). The City's retirement system is approximately 95% funded, while the City's MERS retirement component is approximately 66% funded, both meeting the new standards set by the State.

Mayor Eveleth said he was pleased to hear the City is doing well.

Councilmember Pidek asked what the Council could do to protect against downturns in the economy. Finance Director Cheryl A. Grice indicated the Council had passed a policy last year requiring the City to maintain a minimum unrestricted Fund Balance of 25% of General Fund Operating Expenses which was extremely important in preparing the City for economic downturns.

Mr. Verlin closed the discussion by saying the City is in a very stable position financially when compared with other communities. The biggest impacts come from the defined benefit pension plans, but the movement toward the provision of defined contribution plans is helping the outlook.

**PUBLIC HEARINGS**

**Proposed Special Assessment Project - Allendale Avenue**

A public hearing was conducted to receive citizen comment regarding Resolution No. 3 for proposed Special Assessment District No. 2019-02 for Allendale Avenue, from Gould Street to the east city limits for street resurfacing.

City Manager Nathan R. Henne indicated the proposed project would beef up the street from a simple chip seal over gravel to a fully paved surface.

The following person commented in regard to the proposed special assessment project:

Linda Balsley, former resident at 1275 Allendale Avenue, via telephone prior to the meeting, indicated she had sold the property recently and no longer lived there. Staff will contact the new owner regarding the proposed special assessment project.

The public hearing was closed with no further comment.

Councilmember Pidek asked about the age of the pipes under this section of street, wondering if it would be possible (and prudent) to take a look at them before the street is resurfaced. City Manager Henne indicated that the lines in this location are at least five feet under the road surface and the work proposed will not be anywhere close to that deep. He said that given the age of the pipes in question he would expect them to continue to provide service without trouble for many years.

Motion by Councilmember Bailey to approve the following resolution:

**RESOLUTION NO. 176-2018**

**AUTHORIZING SPECIAL ASSESSMENT RESOLUTION NO. 3  
ESTABLISHING SPECIAL ASSESSMENT DISTRICT NO. 2019-02  
ALLENDALE AVENUE, FROM GOULD STREET TO EAST CITY LIMITS  
FOR STREET RESURFACING**

WHEREAS, the City Council, after due and legal notice, has met and having heard all persons to be affected by the proposed public improvement more particularly hereinafter described; and

WHEREAS, the City Council deems it advisable and necessary to proceed with said public improvement as more particularly hereinafter described.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to make and proceed with the following described public improvement and to defray a part or the whole cost, as more particularly hereinafter provided, by special assessment upon the property specially benefited:

ALLENDALE AVENUE, A PUBLIC STREET, FROM GOULD STREET TO EAST CITY LIMITS  
STREET RESURFACING

2. The City Council hereby approves the plans for the aforesaid public improvement as prepared and presented by the City Manager and determines the estimated cost of said public improvement to be \$151,218.36 and approves said estimated cost and determines that the estimated life of said public improvement is fifteen (15) years.
3. The City Council determines that of said total estimated cost, the sum of \$17,481.45 be paid by special assessment upon the property specially benefited, as more particularly hereinafter described.

4. The City Council hereby designates the following described property as the special assessment district upon which the special assessment shall be levied:

Allendale Avenue, a Public Street, from Gould Street to east city limits  
Street resurfacing

5. The City Assessor shall prepare a special assessment roll including all lots and parcels of land within the special assessment district herein designated, and the Assessor shall assess to each such lot or parcel of land such relative portion of the whole sum to be levied against all lands in the special assessment district as the benefit to such lot or parcel of land bears to the total benefits to all lands in such district.
6. When the Assessor shall have completed the assessment roll, he shall file the special assessment roll with the City Clerk for presentation to the City Council.

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

AYES: Councilmembers Bailey, Pidek, Haber, Mayor Pro-Tem Osika, Councilmembers Law, Fear, and Mayor Eveleth.

NAYS: None.

### **Proposed Special Assessment Project - North Street**

A public hearing was conducted to receive citizen comment regarding Resolution No. 3 for proposed Special Assessment District No. 2019-08 for North Street, from Chipman Street to the west city limits for street resurfacing.

City Manager Henne briefly detailed the proposed project saying it would involve the crushing and shaping of the current street surface, repair of areas near the recent bridge reconstruction, the addition of 12-inch gravel shoulders, and pavement with asphalt. He went on to say that the entire north side of the proposed project is the City's border with Owosso Charter Township and he plans on approaching them to share in the cost after bids are received and actual costs are known, though the City has no recent history of the adjoining townships sharing in such costs.

The following person commented in regard to the proposed special assessment project:

Nathan Struble, pastor of Owosso Free Methodist Church and resident at 1335 W. North Street, said it was his understanding that the church is not exempt from the cost of the project and he is concerned that their small membership will not be able to raise the funds necessary to pay the assessment. He said the church serves the entire community through the use of its facilities for groups such as the Boy Scouts and a street assessment would jeopardize their ability to provide such services/facilities. He further indicated that North Street is already a race track and a new smooth surface will only encourage people to speed.

Fred Toman, 1445 W. North Street, said he has lived in his home for 12 years and he noticed a significant increase in the speed of vehicles after the bridge was widened a couple of years ago. He said the street surface is deteriorated from his house to the railroad tracks but feels that was because of the movement of heavy equipment when the bridge was reconstructed. Lastly, he noted that there are a number of houses along the north side of the street and he would like to see those property owners share in the cost of the project since they use the street as well.

Tom Manke, editor- Facebook.com/FriendsAndNeighborsOwosso, inquired about what would happen if the township doesn't respond to a request for cost sharing. It was noted that in such case only those on the south side of the street would be assessed.

Allan Goetzinger, 1601 W. North Street, via email, indicated he is opposed to the proposed project and is unable to assist the City in financing the project. He suggested the Council stop the project from moving forward unless the City was able to pay for the project in full with the tax funding and street bond money it already has.

The public comment portion of the hearing was closed when no further citizens came forward.

Mayor Eveleth responded to Mr. Manke's comments saying he wishes he could assess township residents when their streets are reconstructed but he can't, so the best he could hope for was that they step up and pay their share. Addressing Pastor Struble the Mayor confirmed that all entities are subject to special assessments including schools and churches. He went on to say that the church could make an assessment easier to bear by splitting the payments up over the course of a number of years. Tonight's public hearing is to determine the necessity of the project only.

Councilmember Pidek asked what would happen if the project was pushed back. City Manager Henne indicated it could be pushed back a couple of years if necessary, but the Council should expect a cost increase of 6%-10% for each year the project is delayed.

Councilmember Fear noted that the City had the same cost sharing issue with one of the townships when Gould Street was reconstructed. She asked how far the City would pursue payment and whether the outcome might change if the township was brought into the process at an earlier stage in the preparations. City Manager Henne said his current plan was to send a letter and make a few phone calls to the township after the bids come in, but they could try to bring the township into the conversation sooner in the future.

Mayor Eveleth noted for the record that the City residents in the project area would not be paying for the township's share of the project should the township refuse to share in the cost. The City will pay the extra cost from its street fund. Lastly, he asked if the Public Safety Department would look into stepping up patrols in the area.

Motion by Councilmember Bailey to approve the following resolution:

**RESOLUTION NO. 177-2018**

**AUTHORIZING SPECIAL ASSESSMENT RESOLUTION NO. 3  
ESTABLISHING SPECIAL ASSESSMENT DISTRICT NO. 2019-08  
NORTH STREET, FROM WEST CITY LIMITS TO CHIPMAN STREET  
FOR STREET RESURFACING**

WHEREAS, the City Council, after due and legal notice, has met and having heard all persons to be affected by the proposed public improvement more particularly hereinafter described; and

WHEREAS, the City Council deems it advisable and necessary to proceed with said public improvement as more particularly hereinafter described.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to make and proceed with the following described public improvement and to defray a part or the whole cost, as more particularly hereinafter provided, by special assessment upon the property specially benefited:

NORTH STREET, A PUBLIC STREET, FROM THE WEST CITY LIMITS TO CHIPMAN STREET  
STREET RESURFACING

2. The City Council hereby approves the plans for the aforesaid public improvement as prepared and presented by the City Manager and determines the estimated cost of said public improvement to be \$238,802.34 and approves said estimated cost and determines that the estimated life of said public improvement is fifteen (15) years.
3. The City Council determines that of said total estimated cost, the sum of \$30,898.57 be paid by special assessment upon the property specially benefited, as more particularly hereinafter described.
4. The City Council hereby designates the following described property as the special assessment district upon which the special assessment shall be levied:  
  
North Street, a Public Street, from west city limits to Chipman Street  
Street resurfacing
5. The City Assessor shall prepare a special assessment roll including all lots and parcels of land within the special assessment district herein designated, and the Assessor shall assess to each such lot or parcel of land such relative portion of the whole sum to be levied against all lands in the special assessment district as the benefit to such lot or parcel of land bears to the total benefits to all lands in such district.
6. When the Assessor shall have completed the assessment roll, he shall file the special assessment roll with the City Clerk for presentation to the City Council.

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

AYES: Councilmember Haber, Mayor Pro-Tem Osika, Councilmembers Bailey, Law, and Mayor Eveleth.

NAYS: Councilmembers Fear and Pidek.

**Proposed Special Assessment District No. 2018-01 – Hazards and Nuisances**

A public hearing was conducted to receive citizen comment regarding proposed Special Assessment District No. 2018-01, Hazards and Nuisances, as it relates to unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances.

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

Motion by Mayor Pro-Tem Osika to approve the following resolution:

**RESOLUTION NO. 178-2018**

**AUTHORIZING THE ROLL FOR  
SPECIAL ASSESSMENT DISTRICT NO. 2018-01, HAZARDS & NUISANCES**

WHEREAS, the Council, after due and legal notice, has met and there being no one to be heard, motion by Mayor Pro-Tem Osika to adopt Special Assessment Resolution No. 2 for the annual hazards & nuisances roll, as follows:

Parcel #	Address	Type of Nuisance	Balance
050-010-017-024-00	621 WOODLAWN AVE	PROPERTY CLEAN UP	\$ 495.69
050-111-009-009-00	918 E OLIVER ST	CLEAR ICE/SNOW	\$ 177.97
050-113-004-004-00	910 MILWAUKEE ST	MOW TALL GRASS/WEEDS	\$ 150.00
050-114-001-010-00	900 STATE ST	PROPERTY CLEAN UP	\$ 260.96
050-114-002-004-00	821 STATE ST	MOW TALL GRASS/WEEDS	\$ 170.00
050-240-002-015-00	631 N HICKORY	MOW TALL GRASS/WEEDS	\$ 180.10
050-390-004-012-00	1260 ADAMS ST	MOW TALL GRASS/WEEDS	\$ 671.96
050-420-010-006-00	825 LINGLE AV	MOW TALL GRASS/WEEDS	\$ 150.00
050-440-000-012-00	921 DINGWALL DR	MOW TALL GRASS/WEEDS	\$ 310.53
050-537-000-042-00	1302 W MAIN	CLEAR ICE/SNOW	\$ 216.60
050-580-000-054-00	316 OAKWOOD AV	PROPERTY CLEAN UP	\$ 1,376.12
050-602-017-004-00	1417 FREDERICK ST	MOW TALL GRASS/WEEDS	\$ 170.00
050-651-006-007-00	320 CASS ST	PROPERTY CLEAN UP	\$ 493.51
050-660-007-011-00	1014 BEEHLER ST	MOW TALL GRASS/WEEDS	\$ 150.00
050-660-009-002-00	911 BEEHLER ST	PROPERTY CLEAN UP	\$ 298.82
050-660-018-011-00	726 CLINTON ST	PROPERTY CLEAN UP	\$ 199.98
050-660-025-001-00	302 S SHIAWASSEE ST	CLEAR ICE/SNOW	\$ 216.60
050-673-003-010-00	526 FLETCHER ST	MOW TALL GRASS/WEEDS	\$ 212.19
050-710-001-012-00	915 CORUNNA AV	MOW TALL GRASS/WEEDS	\$ 630.00
			<b>\$ 6,531.03</b>

and

WHEREAS, the Council deems said Special Assessment Roll- Hazards and Nuisances to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances of said properties.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said Special Assessment Roll-Hazards and Nuisances as prepared by the City Assessor in the amount of \$6,531.03 is hereby confirmed and shall be known as Special Assessment Roll-Hazards and Nuisances No. 2018-01.
2. Said Special Assessment Roll-Hazards and Nuisances No. 2018-01 shall be placed on file in the office of the City Clerk who shall attach his warrant to a certified copy thereof within ten (10) days commanding the Assessor to spread the various sums shown thereon as directed by the City Council.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Fear, Law, Pidek, Haber, Bailey, and Mayor Eveleth.

NAYS: None.

As a point of information, the following invoices consist of unpaid nuisances and hazards that are unable to be leined and must be written off due to the State of Michigan tax sale process.

Invoice #	Parcel #	Address	Type of Nuisance	Balance
4402, 4466, 4489, 4665, 4666, 4667	050-420-011-015-00	755 BROADWAY AV	MOW TALL GRASS/WEEDS	\$1,047.73
4484	050-420-011-015-00	755 BROADWAY AV	PROPERTY CLEAN UP	\$ 250.95
				<b>\$1,298.68</b>

### **CITIZEN COMMENTS AND QUESTIONS**

Tom Manke, editor- Facebook.com/FriendsAndNeighborsOwosso, said he was happy to hear the City has a healthy fund balance.

Eddie Urban, 601 Glenwood Avenue, spoke on several topics including the annual basketball game involving local first responders, fire hydrants, and marijuana.

Michael Espich, chairman of the Parks & Recreation Commission, said plans for the skate park are finally coming to fruition, a ground breaking ceremony will be held at the park site on December 12<sup>th</sup> at 9:00am. All are invited to attend.

Mayor Eveleth noted that he had recently driven to southern Indiana to pick up a park bench made entirely from recycled plastic. He went on to admit that he had bet the students of Central Elementary that they would not be able to collect the 250 lbs. of bottle caps necessary to "purchase" the bench. They did so, in two months' time.

Councilmember Law formally expressed his sympathy to former Councilman Burton Fox and his family on the loss of his wife.

Councilmember Pidek thanked the Parks & Recreation Commission for their dedication in seeing the skate park project come to fruition.

### **CITY MANAGER REPORT**

#### **Project Status Report**

City Manager Henne presented the latest project status report to the Council.

### **CONSENT AGENDA**

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

**Proposed Special Assessment District No. 2019-01 – Abrey Street.** Authorize Resolution No. 2 setting a public hearing for Monday, December 17, 2018 for proposed Special Assessment District No. 2019-01 for Abrey Street from Melinda Avenue to Allendale Avenue for street resurfacing as follows:

#### **RESOLUTION NO. 179-2018**

#### **ABREY STREET FROM MELINDA AVENUE TO ALLENDALE AVENUE SPECIAL ASSESSMENT RESOLUTION NO. 2**

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

**ABREY STREET, A PUBLIC STREET, FROM MELINDA AVENUE TO ALLENDALE AVENUE  
STREET RESURFACING**

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 \$71,721.18 and determines that \$17,212.23 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 \$54,508.95 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, December 17, 2018 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:

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

Abrey Street, a Public Street, from Melinda Avenue to Allendale Avenue  
Street Resurfacing

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, December 17, 2018 for the purpose of hearing any person to be affected by the proposed public improvement.

**Proposed Special Assessment District No. 2019-11 – Seventh Street.** Authorize Resolution No. 2 setting a public hearing for Monday, December 17, 2018 for proposed Special Assessment District No. 2019-11 for Seventh Street from Oliver Street to King Street for street resurfacing as detailed below:

**RESOLUTION NO. 180-2018**

**SEVENTH STREET  
FROM OLIVER STREET TO KING STREET  
SPECIAL ASSESSMENT RESOLUTION NO. 2**

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

SEVENTH STREET, A PUBLIC STREET, FROM OLIVER STREET TO KING STREET  
STREET RESURFACING

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 \$206,972.40 and determines that \$46,029.50 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 \$16,0942.90 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, December 17, 2018 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:

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

Seventh Street, a Public Street, from Oliver Street to King Street  
Street Resurfacing

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, December 17, 2018 for the purpose of hearing any person to be affected by the proposed public improvement.

**Intent to Apply – State Revolving Fund.** Authorize submittal of an Intent to Apply to the Michigan Department of Environmental Quality to initiate review of eligible wastewater infrastructure projects for State Revolving Fund financing as follows:

**RESOLUTION NO. 181-2018**

**AUTHORIZATION TO SUBMIT TO THE MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY (MDEQ) THE INTENT TO APPLY FORM FOR STATE REVOLVING FUND (SRF) FINANCING OF WASTEWATER INFRASTRUCTURE PROJECTS**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, desires to consider SRF financing of upcoming wastewater infrastructure capital projects; and

WHEREAS, the Director of Public Services & Utilities desires to prepare and submit the necessary Intent to Apply form to initiate MDEQ review of eligible projects for SRF loan financing.

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 submit to the MDEQ the necessary ITA form required to initiate SRF project eligibility and planning for wastewater capital infrastructure needs.
- SECOND: The Director of Public Services & Utilities is authorized to prepare and submit the required ITA form, and to meet with the MDEQ to review eligible capital projects for SRF loan financing.
- THIRD: Proposed SRF projects for plan development will be brought before city council for consideration and/or approval.

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

Name	Board/Commission	Term Expires
Amber Fuller*	Board of Review	12-31-2023



Name	Board/Commission	Term Expires
Jerry Haber	City of Owosso Employees' Retirement System Board of Trustees	11-14-2022
Christopher Eveleth*	Zoning Board of Appeals	11-14-2022

\* Indicates reappointment

**Warrant No. 564.** Authorize Warrant No. 564 as follows:

Vendor	Description	Fund	Amount
Michigan Municipal League Workers' Compensation Fund Inc.	Worker's Compensation Insurance-3 of 4 for FY 18/19	Various	\$20,230.00

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

AYES: Councilmembers Law, Fear, Mayor Pro-Tem Osika, Councilmembers Pidek, Haber, Bailey, and Mayor Eveleth.

NAYS: None.

**ITEMS OF BUSINESS**

**2017-2018 Audit Acceptance**

Motion by Councilmember Pidek to approve the following resolution accepting and placing on file the City of Owosso Financial Report for the Fiscal Year Ended June 30, 2018.

**RESOLUTION NO. 182-2018**

**RESOLUTION ACCEPTING AND PLACING ON FILE  
THE CITY OF OWOSSO, MICHIGAN FINANCIAL REPORT  
WITH ADDITIONAL INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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

WHEREAS, the city of Owosso employed Gabridge and Company PLC, certified public accountants, to audit the financial records of the city of Owosso and such audit has been completed and is presented this date to the city council.

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

FIRST: *The City of Owosso, Michigan Financial Report with Additional Information for the Fiscal Year Ended June 30, 2018*, attached hereto and made a part hereof as Exhibit A, is hereby accepted and placed on file.

SECOND: A copy of the *City of Owosso, Michigan Financial Report with Additional Information for the Fiscal Year Ended June 30, 2018* will be maintained on file in the office of the city clerk for public examination, a copy will be placed in the Shiawassee District Library Owosso Branch for public examination, and copies will be sent to those required by law and agreement.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmembers Pidek, Bailey, Fear, Law, Haber, Mayor Pro-Tem Osika, and Mayor Eveleth.

NAYS: None.

**Water/Sewer Service Deposit Schedule Adjustment**

City Manager Henne started the discussion noting that the proposed increase was borne out of necessity as the amount of the deposit had not been increased in 25 years, nor did it reflect the change from monthly billing to quarterly billing. The average bill runs about \$207.00 per quarter

and the deposit is simply not enough to cover what is owed when people skip out. The deposit proposed is intended only to cover the average bill.

Several Councilmembers commented on the hardship renters would face if the deposit was raised to the suggested amount of \$350.00, saying those that rent are typically financially strapped already. An amount equal to three times the current deposit amount of \$75.00 was proposed.

Motion by Councilmember Law to authorize the following resolution adjusting the Water/Sewer Service Deposit Schedule to reflect past rate increases and the fact the City has switched to a quarterly billing cycle.

#### **RESOLUTION NO. 183-2018**

#### **CITY OF OWOSSO WATER/SEWER SERVICE DEPOSIT SCHEDULE**

The Owosso City Council establishes the following schedule of deposits for water and/or sewer service accounts where a tenant is solely responsible for payment of water and/or sewer service charges and for other cases as provided in Section 34-251, Collection, of the Owosso City Code. Such schedule shall not be retroactive, but shall apply to all cases requiring a deposit on or after January 1, 2019.

1. "Affidavit" Tenant Accounts: In cases where the City is properly notified in accordance with Act No. 94 of the Public Acts of Michigan of 1933, as amended, that a tenant is responsible for water or sewer service charges, no such service shall be commenced or continued to such premises until there has been deposited with the City an amount as follows:
  - a. \$225.00 - in the case of a single residential unit.
  - b. An amount equal to three months charges as estimated by the public services director based on the water meter size and estimated consumption for other than single unit residential services but no less than \$225.00.
2. "Nonaffidavit" Tenant Accounts: In other cases where the account is billed to a tenant without notification in accordance with Act No. 94 (i.e. when the property may still be liened for unpaid charges), a \$225.00 deposit will be required prior to initiation of service.
3. Deposit following service shutoff for nonpayment: Where the water service to any premise is turned off to enforce the payment of water or sewer service charges, the water service shall not be recommenced until an amount as in 1. above has been deposited with the City.
4. Deposits for out-of-town customers: For any new customer outside the corporate limits of the City of Owosso, water service shall not be commenced or continued until an amount as in 1. above has been deposited with the City.
5. Other: In any other case where, in the discretion of the public services director, the collection of charges for water or sewer service may be difficult or uncertain, the director may require a similar deposit.

Such deposits may be applied against any delinquent water or sewer service charges and the application thereof shall not affect the right of the public services department to turn off the water service and/or sewer service, to any premises for any delinquency thereby satisfied.

No such deposit shall bear interest and such deposit, or any remaining balance thereof, shall be returned to the customer making the same when he or she shall discontinue receiving water and sewer service. In the case of deposits under 4 or 5 above, the deposit may be refunded whenever a customer has promptly paid all water and sewer service charges for at least two full years and has otherwise established satisfactory credit in the municipality. In the case of deposits under 3 above, the deposit may be refunded whenever a customer has promptly paid all water and sewer service charges for at least one full year and has otherwise established satisfactory credit in the municipality.

Motion supported by Councilmember Bailey.

Roll Call Vote.

AYES: Councilmembers Fear, Pidek, Law, Haber, Bailey, Mayor Pro-Tem Osika, and Mayor Eveleth.

NAYS: None.

Councilmember Bailey inquired how the change in the deposit amount would be communicated to the public. City Manager Henne indicated the City would advertise via social media and reach out to the landlords' association. Otherwise, people would be notified of the change on a case by case basis.

**Tax-Foreclosed Property Consideration**

City Manager Henne indicated the two properties in question are literally only a couple of feet wide and would be given to the adjacent land owners as appropriate.

Motion by Mayor Pro-Tem Osika to accept listed tax-foreclosed property(s) that did not sell at the State tax sale in September 2018 as follows:

**RESOLUTION NO. 184-2018**

**RESOLUTION ACCEPTING THE TRANSFER OF ALL UNSOLD TAX REVERTED PROPERTIES FROM THE STATE OF MICHIGAN TO THE CITY OF OWOSSO**

WHEREAS, the city of Owosso received from the state of Michigan a list of parcels of property in the city of Owosso foreclosed for unpaid property taxes pursuant to Public Act 123 of 1999; and

WHEREAS, under Section 78m(6) of said Act, being MCL 211.78m(6) the title to the listed parcels will be automatically transferred to the city of Owosso on December 30, 2018, unless the city objects to the transfer of all or any parcel before the transfer is made.

NOW, THEREFORE, BE IT RESOLVED the city of Owosso does not object to the transfer of title to the city of the following tax foreclosed parcels:

- 050-240-003-025-00            SOUTH 19" OF LOT 14 BLK C, C L GOODHUES SUB OUTLOT 2
- 050-710-000-007-00            COM AT NE COR OUTLOT 1 TH N'LY AL'G E LN SD OUTLOT  
EXTENDED N 4.6' TH N 65\* W TO W LN SD O'LOT  
EXTENDED N TH S 17' TO W COR OUTLOT TH ELY ALG N LN  
OUTLOT TO BEG J L WRIGHTS ADD, NW 1/4 SEC 19, T7N-  
R3E

Motion supported by Councilmember Law.

Roll Call Vote.

AYES:            Councilmembers Law, Fear, Bailey, Mayor Pro-Tem Osika, Councilmembers Haber, Pidek, and Mayor Eveleth.

NAYS:            None.

**Recreational Marijuana Presentation & Consideration of Moratorium**

City Manager Henne gave a presentation providing an overview of Proposal 1, the potential effects of Proposal 1 on the City, options for the City, and recommendations. He explained that recreational marijuana use will be legal in Michigan as of December 6<sup>th</sup>. The new law treats recreational marijuana much like alcohol and prohibits smoking in public, driving under the influence, possession of marijuana on school property or federal property, and showing up to work high. It also dictates the State has one year from the date it becomes legal to develop rules and regulations for recreational marijuana facilities. And unlike the medical marijuana law, it requires municipalities to formally opt out if they do not want recreational marijuana facilities located within their jurisdiction.

Mr. Henne expressed concern that without knowing when the State plans to come out with their rules governing recreational marijuana facilities the City may be caught unprepared. And without our own rules in place the City could be forced to allow the establishment of recreational marijuana facilities in undesirable locations.

At the end of his presentation Mr. Henne made two recommendations:

1. That an ordinance be drafted formally prohibiting recreational marijuana use in public places.
2. That a temporary moratorium prohibiting the establishment of recreational marijuana facilities be adopted to allow the State and the City to develop rules governing said facilities.

Council discussion ensued. The Mayor expressed a reluctance to establish a moratorium but said he could see the City Manager's point about being unprepared. Councilmember Bailey suggested the moratorium have a definitive end date. Councilmember Fear said she would like to get the perspective of the Planning Commission prior to acting on a moratorium. Councilmember Law suggested action on a moratorium be postponed until the December 17<sup>th</sup> meeting to allow for its assessment by the Planning Commission.

Councilmember Pidek asked whether membership clubs could sell marijuana to their members like alcohol. He also asked if a study had been done on the budgetary implications of

recreational marijuana. Public Safety Director Kevin M. Lenkart indicated he would look for information from other states that have legalized recreational use.

Council agreed to postpone the consideration of a moratorium on the establishment of recreational marijuana facilities and referred the matter to the Planning Commission for recommendation.

### **COMMUNICATIONS**

Cheryl A. Grice, Finance Director. Revenue & Expenditure Report – October 2018.

Parks & Recreation Commission. Minutes of October 24, 2018.

Downtown Development Authority/Main Street. Minutes of November 7, 2018.

Shiawassee Firefighter Memorial Board. Minutes of November 17, 2018.

### **CITIZEN COMMENTS AND QUESTIONS**

Tom Manke, editor- Facebook.com/FriendsAndNeighborsOwosso, cautioned the City against arresting someone for having any amount of THC in their blood saying he believed the medical marijuana law allows patients to legally have THC in their blood.

Eddie Urban, 601 Glenwood Avenue, spoke about his concerns with the new recreational marijuana law. He also mentioned that he went to the Christmas tree lighting at the County Court House last weekend.

Pastor Nathan Struble, First Free Methodist Church, said his family had hosted 3 college students from Illinois over the Thanksgiving holiday and they were completely delighted by the beautiful lights downtown.

Councilmember Law reminded all present of the meet and greet scheduled for December 5<sup>th</sup> at 6:30 p.m. next to House of Wheels for those interested in getting the Westown CIA back up and running.

City Manager Henne thanked Mr. Manke for his clarification of the marijuana laws.

Councilmember Bailey thanked the staff for their work in getting the new Councilmembers up to speed and keeping everyone informed.

### **NEXT MEETING**

Monday, December 17, 2018

### **BOARDS AND COMMISSIONS OPENINGS**

Building Board of Appeals – Alternate - term expires June 30, 2019

Building Board of Appeals – Alternate - term expires June 30, 2021

Brownfield Redevelopment Authority – term expires June 30, 2022

Historical Commission – term expires December 31, 2020

Historical Commission – term expires December 31, 2021

Parks & Recreation Commission – term expires June 30, 2019

Zoning Board of Appeals - Alternate – term expires June 30, 2021

### **ADJOURNMENT**

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

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

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Christopher T. Eveleth, Mayor

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Amy K. Kirkland, City Clerk