

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF SEPTEMBER 16, 2019
7:30 P.M.**

PRESIDING OFFICER: MAYOR CHRISTOPHER T. EVELETH

OPENING PRAYER: JOSHUA ADAMS
DDA/MAIN STREET DIRECTOR

PLEDGE OF ALLEGIANCE: TOM MANKE

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 Law to approve the agenda with the following addition to the Consent Agenda:

7. Boards and Commissions Appointments. Approve the following Mayoral boards and commissions appointments

Name	Board/Commission	Term Expires
Teresa Schneider	Shiawassee Firefighters' Memorial Steering Committee	09-01-2020
Linda Robertson	Planning Commission	06-30-2022

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF SEPTEMBER 3, 2019

Motion by Mayor Pro-Tem Osika to approve the Minutes of the Regular Meeting of September 3, 2019 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

Obsolete Property Rehabilitation Exemption Certificate – 152 E. Howard Street

City Manager Nathan R. Henne introduced the item saying it was a pretty straight-forward request, though he expressed some concern with the scoring as it relates to job creation. He asked Council for clarification as to how it would like to see items scored.

A public hearing was conducted to receive citizen comment regarding the application from Howard Street Development, LLC for an Obsolete Property Rehabilitation Exemption Certificate for their property at 152 E. Howard Street.

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

Applicant Sue Ludington briefly detailed the project and clarified the number of new job opportunities that are expected as a result of the project.

Mayor Eveleth said he appreciates the investment the Ludington's are making in the neighborhood.

Councilmember Fear inquired how long the Ludington's had owned the building and if they had done any work on the building up until now. Ms. Ludington indicated that they have owned it since 2003, with Ludington Electric moving into the building in 2005. They have fixed existing issues, but their plans for improvements were put on hold by the Great Recession.

Councilmember Pidek asked what the total taxable freeze amount would be for the property after the project is completed. He said he wanted to see that number as well as the total of all other tax abatements in the City when considering future abatements. He was particularly concerned about being mindful of the City-wide 5% cap and the fact that taxes allow the City to do the work that needs to be done. He said he would like to have a discussion regarding all abatements at some point in the near future.

Mayor Eveleth said that the City's abatement schedule was developed at a different time when job creation was extremely important. Things have changed since then and he agreed that having a discussion regarding all tax abatements would be a good idea.

Councilmember Fear noted that the Ludington's will be applying for a brownfield for this property as well as the OPRA before them this evening. She asked how the OPRA and the brownfield would work together if they are both granted. City Manager Henne explained that the OPRA would be in effect first and upon its expiration the brownfield would kick in.

Councilmember Pidek indicated he would like more information before making a decision. Specifically he would like to see changes to the abatement schedule before making any decisions on future abatements.

There was debate as to when the discussion on the abatement schedule would take place.

Motion by Councilmember Pidek to authorize the following resolution approving the Obsolete Property Rehabilitation Exemption Certificate for Howard Street Development, LLC at 152 E. Howard Street for a period of twelve years, and place a moratorium on the consideration of tax abatements on other projects until the City's abatement policy is re-examined:

RESOLUTION NO. 125-2019

**TO APPROVE THE APPLICATION FOR AN
OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE
FROM HOWARD STREET DEVELOPMENT
FOR PROPERTY LOCATED AT
152 E. HOWARD 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 3, 2019, the City Council of the City of Owosso approved an Obsolete Property Rehabilitation District at 152 E. Howard Street in Owosso, Michigan. As provided by section 4(2) of Public Act 146 of 2000, said property more particularly described as:

COM 90.6' S OF NE COR BLK 20 AL WILLIAMS ADD TH N 90.6' TH NW'LY ALG N
LN LOT 1 122' TH S 124.60' TH E'LY 117' TO POB

WHEREAS, the City Clerk received an application, on July 24, 2019 from Susan Ludington, authorized agent for Howard Street Development, LLC, owner of the property, for an Obsolete Property Rehabilitation Exemption Certificate; and

WHEREAS, the application is complete, including items (a) through (f) described under "Instructions" on the Application for 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 that, based on the findings above made at a public hearing held September 16, 2019, the City Council of the City of Owosso authorizes the application for an Obsolete Property Rehabilitation Exemption Certificate at 152 E. Howard Street for a period of twelve years; and

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

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

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

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

NAYS: Councilmember Fear.

Alley Closure Resolution– North-South Alley in Woodlawn Park

City Manager Henne indicated that this alley closure is tied to the next item on the agenda. Both alleys have been platted but neither has been developed as an alley. The City recommends vacation of both alleys.

A public hearing was conducted to receive citizen comment regarding the request to close the north-south public alley east of Lots 5-17 of Block 31, George T. Abrey's Woodlawn Park Addition, City of Owosso, Shiawassee County, Michigan (alley south of Melinda Avenue between Abrey Avenue and the east City boundary).

Aaron Klawuhn, 715 Abrey Avenue, said he was here with two of his neighbors, he wanted to know if the adjoining Caledonia Charter Township property owners had been informed of the proposal to close the alley and if the City will pay to have the properties surveyed.

Tom Manke, 2910 W. M-21, inquired why the alleys are being proposed for closure.

Jane Merkel, owner of five parcels abutting the affected alleys, said she had requested the closure after discovering the east-west alley was still open. She said there's no way for anyone to use the alley as it exists today and she would like to be able to do something with her property.

City Manager Henne again noted the property was platted as alleyway but was never constructed as an alley. There will be no access issues created by the closures as it is full of trees and fences. He further indicated that the adjoining Caledonia Charter Township residents were not notified of the proposed closure as it will have no effect on their properties.

Motion by Mayor Pro-Tem Osika to approve the following resolution authorizing the closing of the north-south alley bounded by Melinda Avenue, Corunna Avenue, Abrey Avenue, and the east City boundary:

RESOLUTION NO. 126-2019

TO CLOSE THE NORTH-SOUTH ALLEY IN BLOCK 31 OF GEORGE T. ABREY'S WOODLAWN PARK ADDITION

WHEREAS, the City Council of the City of Owosso, Michigan has met at the time and place named in a resolution passed by said City Council at a meeting thereof held on September 3, 2019 and in accordance to notice thereof published by the City Clerk in The Owosso Argus Press, for the purpose of hearing and considering objections to the proposed vacation and discontinuance of the following public alley in said City, and all objections of such proposed action having been heard and duly considered.

BE IT RESOLVED THAT for the benefit of the public health and welfare and safety of persons and property within the City of Owosso, County of Shiawassee, State of Michigan, be and the

same is hereby vacated, discontinued and abolished, said alley being more particularly described as follows, to wit:

NORTH-SOUTH ALLEY IN BLOCK 31, GEORGE T. ABREY'S WOODLAWN PARK ADDITION CONTIGUOUS TO LOTS 5-17.

BE IT FURTHER RESOLVED THAT it is hereby determined that it is necessary for the health, welfare, comfort and safety of the people of the City of Owosso to discontinue the above alley as platted.

BE IT FURTHER RESOLVED THAT the City Clerk is hereby directed to provide the Shiawassee County Register of Deeds, the Treasurer of the State of Michigan, and the Owosso City Engineer and City Assessor with a certified copy of this resolution within thirty (30) days of its adoption.

Motion supported by Councilmember Pidek.

Roll Call Vote.

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

NAYS: None.

Alley Closure Resolution – East-West Alley in Woodlawn Park

A public hearing was conducted to receive citizen comment regarding the request to close the east-west public alley south of Lot 5 and north of Lots 1-4 of Block 31, George T. Abrey's Woodlawn Park Addition, City of Owosso, Shiawassee County, Michigan (alley behind businesses on Corunna Avenue between Abrey Avenue and the east City boundary).

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

Councilmember Fear commented that she didn't think residents should have to pay to get a survey of their new land. Councilmember Bailey said she felt that in light of the fact that residents were receiving property for free it should be the property owner's responsibility to get a survey if they wanted one.

Motion by Councilmember Bailey to approve the following resolution authorizing the closing of the east-west alley bounded by Melinda Avenue, Corunna Avenue, Abrey Avenue, and the east City boundary as detailed below:

RESOLUTION NO. 127-2019

TO CLOSE THE EAST-WEST ALLEY IN BLOCK 31 OF GEORGE T. ABREY'S WOODLAWN PARK ADDITION

WHEREAS, the City Council of the City of Owosso, Michigan has met at the time and place named in a resolution passed by said City Council at a meeting thereof held on September 3, 2019 and in accordance to notice thereof published by the City Clerk in The Owosso Argus Press, for the purpose of hearing and considering objections to the proposed vacation and discontinuance of the following public alley in said City, and all objections of such proposed action having been heard and duly considered.

BE IT RESOLVED THAT for the benefit of the public health and welfare and safety of persons and property within the City of Owosso, County of Shiawassee, State of Michigan, be and the same is hereby vacated, discontinued and abolished, said alley being more particularly described as follows, to wit:

EAST-WEST ALLEY IN BLOCK 31, GEORGE T. ABREY'S WOODLAWN PARK ADDITION CONTIGUOUS TO LOTS 1-5.

BE IT FURTHER RESOLVED THAT it is hereby determined that it is necessary for the health, welfare, comfort and safety of the people of the City of Owosso to discontinue the above alley as platted.

BE IT FURTHER RESOLVED THAT the City Clerk is hereby directed to provide the Shiawassee County Register of Deeds, the Treasurer of the State of Michigan, and the Owosso City Engineer and City Assessor with a certified copy of this resolution within thirty (30) days of its adoption.

Motion supported by Councilmember Pidek.

Roll Call Vote.

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

NAYS: None.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W. M-21, commented on the great Art Walk event this weekend. He went on to recommend the City hire an historian for the Historical Properties Director position recently vacated by Robert Doran. He also accused the City of making plans to transfer the ownership of the City's historical assets to a non-profit organization.

Eddie Urban, 601 Glenwood Avenue, presented the Mayor with a news clipping from May 19, 2009 showing him being sworn in when he was first appointed to City Council.

Mayor Eveleth thanked the Main Street Board and the Friends of the Shiawassee River for the great Art Walk and Wine Tasting events held over the weekend. Responding to Mr. Manke's comments, he indicated that there has been no proposal delivered to Council regarding the lease of City assets to another organization.

Following on the Mayor's comments, City Manager Henne said that it was not the City's intention to give away assets, a non-profit would only serve to maintain the assets. The properties in question will not leave the ownership of the City. He also indicated that the Historical Commission has yet to respond to the draft plan that was submitted to them in January.

Mayor Pro-Tem Osika wished Mayor Eveleth a happy belated birthday. She also congratulated Main Street Director Josh Adams on a job well done.

Councilmember Bailey said she had a great time at a number of local events this past weekend.

CONSENT AGENDA

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

Proposed Special Assessment Project – Cedar Street. Authorize Resolution No. 2 setting a public hearing for Monday, October 7, 2019 for proposed Special Assessment District No. 2020-01 for Cedar Street from South Street to Hampton Avenue for street rehabilitation as follows:

RESOLUTION NO. 128-2019

CEDAR STREET FROM SOUTH STREET TO HAMPTON 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

CEDAR STREET, A PUBLIC STREET, FROM SOUTH STREET TO HAMPTON AVENUE;
STREET REHABILITATION

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 \$588,054.00 and determines that \$100,550.94 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 \$487,503.06 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, October 7, 2019 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:

**Cedar Street, a Public Street, from South Street to Hampton Avenue
Street Rehabilitation**

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, October 7, 2019 for the purpose of hearing any person to be affected by the proposed public improvement.

Proposed Special Assessment Project – Clark Street. Authorize Resolution No. 2 setting a public hearing for Monday, October 7, 2019 for proposed Special Assessment District No. 2020-02 for Clark Street from Oliver Street to King Street for street rehabilitation as detailed below:

RESOLUTION NO. 129-2019

**CLARK AVENUE
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

CLARK AVENUE, A PUBLIC STREET, FROM OLIVER STREET TO KING STREET;
STREET REHABILITATION

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 \$323,828.40 and determines that \$59,294.94 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 \$264,533.46 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, October 7, 2019 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:

**Clark Avenue, a Public Street, from Oliver Street to King Street
Street Rehabilitation**

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, October 7, 2019 for the purpose of hearing any person to be affected by the proposed public improvement.

Resolution Amendment – Recreation Passport Grant Application. Amend Resolution No. 50-2019, which authorized application for a Recreation Passport Grant, to reflect changes in the grant application (as requested by the MDNR) increasing the City's local match to \$62,300.00 as shown below:

AMENDED RESOLUTION NO. 50.1-2019

**SEEKING A RECREATION PASSPORT GRANT THROUGH
MICHIGAN DEPARTMENT OF NATURAL RESOURCES**

WHEREAS, Holman Grove Park is noted as a destination point within the city of Owosso that is being revitalized with the construction of a new skate park; and

WHEREAS, the current building in the park is no longer functioning, and regular maintenance cannot effectively address the reactivation of the structure; and

WHEREAS, the city of Owosso and its partners intend to rehabilitate the park's parking-lot, driveway, and existing building, using it for public restrooms, concessions, and a warming station for activities involving the skate park and winter sledding hill; and

WHEREAS, the city of Owosso and the Parks and Recreation Commission are publicly and financially committed to carrying out the improvements to the building and parking areas in Holman Grove Park; and

WHEREAS, the State of Michigan Department of Natural Resources is accepting Recreation Passport Grant applications for up to \$150,000 towards new or rehabilitated facilities for the purpose of "providing public outdoor recreation opportunities and infrastructure to support public outdoor recreation activity";

NOW, THEREFORE, BE IT RESOLVED that the city of Owosso city council commits to funding the capital rehabilitation funding proposal below and directs staff to complete and submit an application for the Recreation Passport Grant Program through the Michigan Department of Natural Resources (MDNR).

Grove Holman Building & Parking Lot Revitalization	
Contributor	Contribution
Parks and Recreation Millage	\$62,300.00 -\$50,000
Total Local Match	\$ 62,300.00 -\$50,000
Grant Request	\$150,000
Total Grant Project	\$212,300.00 \$200,000

Contract Amendment No. 3 – Façade Grant Construction Contract. Approve Amendment No. 3 to the contract with First Contracting, Inc. for the 2018-19 Façade Grant Construction project, increasing the amount by \$10,983.50 for conditions found in the field, and further approve payment to the contractor for said work satisfactorily completed as follows:

RESOLUTION NO. 130-2019

**AUTHORIZING AMENDMENT NO. 3 TO
THE 2018-19 MEDC/CDBG FAÇADE GRANT CONSTRUCTION CONTRACT
WITH FIRST CONTRACTING, INC.
FOR FAÇADE RENOVATION AT**

114 N. WASHINGTON STREET, 115 N. WASHINGTON STREET, AND 114 W. MAIN STREET

WHEREAS, on September 17, 2018 the City Council approved the bid from First Contracting, Inc. to complete proposed MEDC/CDGB Façade Grant restoration /reconstruction at 114 N. Washington Street, 115 N. Washington Street, and 114 W. Main Street; and

WHEREAS, site conditions and modifications in the proposed work have added costs to the overall contract with First Contracting, Inc.

WHEREAS, it is hereby determined that adjustments need to be made via change order for each property to complete the work.

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 increase façade renovation costs for 114 N. Washington Street from the amount of \$102,500.00 to \$109,702.50 for additional brick repair. An increase of \$6,842.50.
- SECOND: The City of Owosso has further determined that it is advisable, necessary and in the public interest to decrease façade renovation costs for 115 N. Washington Street from the amount of \$112,500.00 to \$109,525.00 for removal of the fabric awning from the project. A decrease of \$2,975.00.
- THIRD: The City of Owosso has further determined that it is advisable, necessary and in the public interest to increase façade renovation costs for 114 W. Main Street from the amount of \$403,855.00 to \$410,971.00 for additional lighting costs and the repainting of the east facade. An increase of \$7,116.00.
- FOURTH: The Mayor and City Clerk are instructed and authorized to sign appropriate documents formalizing the changes.
- FIFTH: The accounts payable department is authorized to pay the contractor the amounts noted upon satisfactory completion of the work.
- SIXTH: 50% of the above expenses shall be paid from State of Michigan MEDC/CDBG Funds. The other 50% will be paid by the property/building owners.

Bid Award – Tree Removal Services. Authorize bid award to Forrest M. Spitzer d/b/a J & M Tree Service for tree removal services for the 2019-20 fiscal year in the amount of \$30,200.00, further authorize a contingency of \$8,000.00 to be utilized upon written direction of the City, and approve payment to the contractor upon satisfactory completion of the work as detailed below:

RESOLUTION NO. 131-2019

**AUTHORIZATION TO ENTER INTO A SERVICE AGREEMENT WITH
FORREST M. SPITZER D/B/A J & M TREE SERVICE
FOR TREE REMOVAL**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has determined that maintenance and removal of city owned trees within the street right of way is required, and in the public interest

to maintain an aesthetically pleasing community, and to avoid risk of property damage and risk to the general public; and

WHEREAS, the city of Owosso solicited bids to perform tree removal services, and Forrest M. Spitzer d/b/a J & M Tree Service was the low responsible and responsive bidder for the 2019-2020 fiscal year; and

WHEREAS, J&M Tree Service has offered to provide the tree removal services in the amount of \$30,200.00.

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 employ Forrest M. Spitzer d/b/a J & M Tree Service for tree removal services for the 2019-2020 fiscal year.

SECOND: The mayor and city clerk are instructed and authorized to sign the contract document/s for services between the city of Owosso, Michigan and Forrest M. Spitzer d/b/a J & M Tree Service in the amount of \$30,200.00, plus contingency work with prior written approval, in the amount of \$8,000.00 for a total of \$38,200.00

THIRD: The accounts payable department is authorized to pay Forrest M. Spitzer d/b/a J & M Tree Service for work satisfactorily completed in the amount of \$30,200.00, plus contingency work in the amount of \$8,000.00 with prior written approval, for a total of \$38,200.00.

FOURTH: The above expenses shall be paid from accounts 202/203-480-818.000.

Check Register – August 2019.* Affirm check disbursements totaling \$1,922,975.66 for August 2019.

Boards and Commissions Appointments. (This item was added to the agenda.) Approve the following Mayoral boards and commissions appointments

Name	Board/Commission	Term Expires
Teresa Schneider	Shiawassee Firefighters' Memorial Steering Committee	09-01-2020
Linda Robertson	Planning Commission	06-30-2022

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

ITEMS OF BUSINESS

Policy Changes – Water & Sewer Connection Charges and Miscellaneous Water Policies & Charges

City Manager Henne noted that the policies in question do not involve water and sewer rates and generally will not affect current accounts.

Motion by Councilmember Fear to approve the following two resolutions documenting changes to the Water and Sewer Connection Charges policy and the Miscellaneous Water Policies and Service Charges policy to update fees and procedures as follows:

RESOLUTION NO. 132-2019

**ESTABLISHMENT OF WATER AND SEWER CONNECTION CHARGE POLICIES
EFFECTIVE OCTOBER 1, 2019**

WHEREAS, the city of Owosso owns and operates water and wastewater utilities; and

WHEREAS, the city of Owosso must have policies and water and sewer connection charges in addition to the basic rates pursuant to the *Code of Ordinances of the City of Owosso, Michigan* Sec. 34-67 (Water service connections, connection charges), and Sec. 34-144 (sewer connection charges).

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

FIRST: The city council hereby adopts the following connection charges for the water utility which shall become effective October 1, 2019.

SECOND: That any policies previously adopted which conflict with the provisions of the following policies and services are hereby repealed.

WATER AND SEWER CONNECTION CHARGES

Water and sewer connection charges for new or increased size services are a combination of the applicable charges appearing below. The director of public services and utilities shall verify the applicable charges before approving an application for service. The applicant shall provide adequate information concerning water and sewer service requirements for the determination of service size.

I. Water Service Line Charges

- a) Option 1 - Contractor for owner provides all excavation, backfill and surface restoration. City performs tap and installs water service from main to curb stop and provides meter for interior installation. (SFR = single family residence) (DI = Ductile Iron Water Main) (PVC = C900 Water Main).

1" SFR Service DI	\$1,315 (1" tap, 1" corp, 1" copper to curb stop, curb stop, curb box, 5/8" meter)
1" SFR Service DI	\$1,355 (1" tap, 1" corp, 1" copper to curb stop, curb stop, curb box, 3/4" meter)
1" SFR Service PVC	\$1,410 (1" tap, 1" saddle, 1" copper to curb stop, curb stop, curb box, 5/8" meter)
1" SFR Service PVC	\$1,450 (1" tap, 1" saddle, 1" copper to curb stop, curb stop, curb box, 3/4" meter)

Other services: If meter pit, add \$125.00 parts and labor.

- b) Option 2 – City provides excavation, backfill and surface restoration, including street patch, from tap to curb stop, and/or when service line is installed by boring or directional drilling. This option is generally only available for in-city customers.

1" SRF Service DI	\$3,525 (1" tap, 1" copper to curb stop, 5/8" meter)
1" SRF Service DI	\$3,565 (1" tap, 1" copper to curb stop, 3/4" meter)
1" SRF Service PVC	\$3,620 (1" tap, 1" copper to curb stop, 5/8" meter)
1" SRF Service PVC	\$3,660 (1" tap, 1" copper to curb stop, 3/4" meter)

Other services: If meter pit, add \$125.00 parts and labor.

- c) Option 3 – Connection to existing water service stub (at property line), if stub was provided at City cost (such water service stubs are typically installed during new street and/or water main construction).

1" SRF Service	\$1,250.00 (5/8" meter, MTU, meter horn, curb box, material, labor, equipment, all fees)
1" SRF Service	\$1,285.00 (3/4" meter, MTU, meter horn, curb box, material, labor, equipment, all fees)
1" SRF Service	\$1,365.00 (1.0" meter, MTU, meter horn, curb box, material, labor, equipment, all fees)

- d) Additional charges if applicable:

Meter pit (for 3/4" to 1" services) \$125 (parts and labor when interior meter set is not feasible)

Winter construction surcharge \$300 (applicable generally between December 15 to March 15 to cover additional costs related to frost excavation and extended street patch maintenance prior to final patch)

II. Sewer Service Line Charge

- a) Option 1 - Contractor for owner provides all excavation, backfill and surface restoration

4" or 6" service \$330 (parts and labor covers sewer wye or saddle tap by city)

- b) Option 2 – Connection to existing sewer service stub to vacant lot, if stub was provided at City cost (such stubs are typically done prior to street construction).

4" or 6" service \$1,000

III. Water & Sewer System Charges

System Charges as provided in the table below account for water or sewer system reserve capacity provided for new customers but financed at system expense.

Out of Town Water System Charges apply to retail customers outside the Owosso City Limits unless otherwise provided in an agreement between the City and the respective municipality. City Sewer System Charges do not apply to out-of-town water services. The respective Township regulates sewer service connections in their jurisdiction and their sewer charges thus apply.

Sewer System Charges do not apply to separate water only metered services such as irrigation, fire sprinkler service, or approved industrial applications where the water used does not go to a wastewater system.

A residential duplex served by a single service line and meter shall have a minimum meter size of 3/4". Determination of appropriate meter size for other larger services is subject to review and approval by the Director of Utilities prior to acceptance of the application for service. That review shall be based on the user's demand potential and generally accepted practices for sizing water meters based on expected average and peak flow rates. Generally, the meter size shall be reduced no more than one standard size from the size of the water line (e.g. a 1.5" meter is acceptable with a 2" service line).

When an existing water service is enlarged or replaced with a larger water service due to an expansion of the customer's water demand, the Water and Sewer System charges shall be charged based on that for the new meter size minus that for the existing water meter size. There is no credit or rebate on reduction of meter size. In the event a new connection is made to up-size the service line (for example 6" to 8") and the meter size remains the same, no additional system charges will be assessed.

**TABLE I
WATER AND SEWER SYSTEM CHARGES**

Potable Water Service Meter Size	In-City Water System Charge	Out-of-City Water System Charge	In-City Sewer System Charge
5/8"	\$400	\$600	\$400
3/4"	\$600	\$900	\$600
1"	\$1,000	\$1,500	\$1,000
1.5"	\$2,000	\$3,000	\$2,000
2"	\$3,200	\$4,800	\$3,200
3"	\$6,000	\$9,000	\$6,000
4"	\$10,000	\$15,000	\$10,000
6"	\$20,000	\$30,000	\$20,000
8"	\$32,000	\$48,000	\$32,000

FIRE LINE CHARGES

Line Size	In-City	Out-of-City
4"	\$1,000	\$1,500
6"	\$2,000	\$3,000
6" with pump	\$4,000	\$6,000
8"	\$4,000	\$6,000
8" with pump	\$6,000	\$9,000
10"	\$6,000	\$9,000
10" with pump	\$8,000	\$12,000
12"	\$8,000	\$12,000
12" with pump	\$10,000	\$15,000

IV. Water Main Assessment Charge (Out of City)

For properties outside the City, that were not assessed or did not pay in a comparable way for the installation of the water main abutting their property, a Water Main Assessment Charge (WMAC) shall be paid prior to connection. This assessment is currently applicable to the Charter Townships of Owosso and Caledonia. Caledonia Charter Township opted out of the WMAC effective October 6, 2011, and then reinstated the charges beginning January 1, 2019.

Owosso Township cost per front linear foot of property		Minimum	Maximum
Water (residential)	\$15	\$900	\$3,000
Water (commercial or industrial)	\$20	\$2,000	
Caledonia Township cost per front foot of property			
Water (all accounts)	\$35	None	None

For corner lots the assessment applies only to the frontage abutting the water main to be used for the service connection.

Water Main Assessment Charge revenue shall be dedicated and restricted to a replacement fund to be used for water main replacements in the respective Township.

V. Meter Service Line Charge

These charges apply in cases where only the cost of meter installation is required for a new water meter and account. The charge includes costs of water meter, meter transmission unit (MTU), couplings/horn, service vehicle, one-hour meter installation and inspection, permit fee, and administration fee for 5/8", 3/4", and 1" meters only. A licensed plumber may be required to make interior piping changes.

5/8" meter	\$455	1.0" meter	\$560
3/4" meter	\$485		

Meters larger than 1" will be charged at actual cost and be installed by a licensed contractor.

And

RESOLUTION NO. 133-2019

**ESTABLISHING MISCELLANEOUS WATER POLICIES AND SERVICE CHARGES
EFFECTIVE OCTOBER 1, 2019**

WHEREAS, the city of Owosso owns and operates water and wastewater utilities; and

WHEREAS, the city of Owosso must have policies and service charges in addition to the basic rates pursuant to the *Code of Ordinances of the City of Owosso, Michigan* Sec. 34-79. Additional regulations and Sec. 34-81 Rules, regulations and fees.

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

- FIRST: The city council hereby adopts the following policies and service charges for the water utility which shall become effective October 1, 2019.
- SECOND: That any policies previously adopted which conflict with the provisions of the following policies and services are hereby repealed.

**MISCELLANEOUS WATER POLICIES AND SERVICE CHARGES
EFFECTIVE OCTOBER 1, 2019**

I. Service Costs – Customer Request for Turn-on/off of Water Service

- a. There shall be no service charge for routine turn-on or turn-off of a water service during normal working hours or for an emergency after-hours call. Normal work hours are 7:00 a.m. to 3:30 p.m. Monday-Friday excluding holidays. An emergency is a situation such as a ruptured water service line that would result in significant loss of water and/or property damage and is not due to negligence or fault of the customer.
- b. A \$30.00 service charge shall apply for return appointments during normal work hours when required by the customer's failure to keep a previous service appointment. (Note: A water service will not be turned on unless a responsible person is present who can verify that there are no leaks in the internal plumbing.)
- c. A \$30.00 service charge shall no longer apply for seasonal meter turn-on and account activation (during normal working hours only). Quarterly Readiness to Service charges shall continue to be billed.

- d. A \$60.00 service charge shall apply for after-hours, non-emergency customer-requested and scheduled service calls up to one hour in duration. After-hours service exceeding one hour and/or requiring more than one employee will be charged the actual cost.

II. Service Costs - Customer Request for RPZ (reduced pressure zone) Backflow Inspection

- a. Initial compliance inspections and noncompliance inspections are at no charge to the customer.
- b. If additional inspections are necessary, a \$30.00 re-inspection fee for each additional inspection will be added to the water bill.

III. Service Costs - Nonpayment of Water and/or Sewer Bills by Due Date

- a. A \$30.00 service charge shall be applied when payment is not received by the shut-off due date, and the past due account was added to the shut-off listing.
- b. An additional \$30.00 service charge shall be paid prior to turning on a water service, which was turned off for nonpayment, if such turn-on request would occur after 5:00 p.m. on a normal working day.
- c. A \$25.00 service charge shall be paid for returned payments (for any reason), for account holders having insufficient funds. A \$35.00 service charge shall be paid for any returned payments due to insufficient funds paid after the above 7 days.

IV. Water Service Permit

- a. A permit processing fee of \$30.00 will be required for all new services requested.

V. Hydrant Use Requests

- a. Contractors and special projects. A \$1,000 service charge will be required at time of permit application. This fee includes the minimum charge of \$50.00 for 5,000 bulk gallons of water, plus additional charges of \$10.00 per 1,000 gallons, or fraction thereof, consumed greater than the minimum quantity. Owosso water system personnel will attach a water meter and RPZ backflow preventer to the hydrant for contractor use. If the water meter and RPZ are returned in good operating condition, the contractor will receive a \$450.00 refund, less charges for additional water consumed greater than the minimum quantity. Hydrant meters will not be provided from December 1 and March 31, unless the contractor can provide acceptable protection of equipment during freezing temperatures.
- b. Resident pool filling. Minimum charge for the filling of pools is \$300.00, and includes the first 5,000 gallons of water. A \$10.00-per-1,000 gallons, or fraction thereof, will be charged after the first 5,000 gallons.

VI. Hydrant Flow Data Requests

- a. The charge for water distribution modeling data (average day psi, max day psi, peak hour psi, available fire flow in gallons per minute/GPM @ residual pressure of 20 psi) is \$135.00.
- b. The charge for actual field flow data & psi testing will be ~~\$275.00~~ \$270.00. This field work does not include providing distribution modeling data.

VII. Customer Deposits

- a. Deposit for in-city-of-Owosso tenant accounts is \$225.00.
- b. Deposit for all accounts outside the city of Owosso is \$225.00.

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

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

NAYS: None.

CDBG Policy Requirements

City Manager Henne explained that the City periodically has to adopt certain policies to remain eligible for federal grant monies.

Councilmember Fear inquired whether any of the policies include sexual orientation. It was noted they do not.

Motion by Councilmember Bailey to adopt the five following policies and resolutions as required by the State of Michigan and the Community Development Block Grant Program (CDBG) to remain eligible for future grant funding:

RESOLUTION NO. 134-2019

**RESOLUTION AUTHORIZING
THE APPROVAL OF RESIDENTIAL ANT-DISPLACEMENT & RELOCATION PLAN, SECTION
3 POLICY, GRIEVANCE PROCEDURE, NON-DISCRIMINATION BASED ON HANDICAP
POLICY, AND EXCESSIVE FORCE POLICY**

WHEREAS, CDBG program funds are used to provide grants and loans to UGLGs, usually with populations under 50,000, in support of economic or community development projects. Project proposals are considered and evaluated continuously based upon the Michigan Strategic Fund's approved CDBG Funding Guide; and

WHEREAS, a Residential Ant-Displacement & Relocation Plan, a Section 3 Policy, a Grievance Procedure, a Non-Discrimination Based on Handicap Policy, and an Excessive Force Policy are required by the State of Michigan and the CDBG as part of the grant process. These documents and procedures seek to ensure the safety of all parties involved in grant activities and help fulfill the national objective of the CDGB.

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 approve the Residential Ant-Displacement & Relocation Plan* as presented.
- SECOND: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to approve the Section 3 Policy* as presented.
- THIRD: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to approve the Grievance Procedure* as presented.
- FOURTH: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to approve the Non-Discrimination Based on Handicap Policy* as presented.
- FIFTH: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to approve the Excessive Force Policy* as presented.

Motion supported by Councilmember Law.

Roll Call Vote.

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

NAYS: None.

Downtown Revolving Loan Fund Program Manual Revisions

City Manager Henne indicated this change is simply to include an item that was accidentally omitted from the original rewrite in June.

Councilmember Pidek thanked the DDA/Main Street Board for listening to his concerns in relation to this policy.

Motion by Councilmember Pidek to approve changes to the Downtown Revolving Loan Program Manual to include working capital costs for small businesses as an eligible project type as shown below:

RESOLUTION NO. 135-2019

**AMENDING THE DOWNTOWN OWOSSO
REVOLVING LOAN PROGRAM CRITERIA**

WHEREAS, on June 17, 2019 the City Council approved new Downtown Owosso Revolving Loan Program Criteria for projects within the Owosso Downtown Development Authority district; and

WHEREAS, from time to time the program criteria and guidelines need to be revised to meet the needs of the changing downtown business environment.

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

FIRST: The guidelines will be changed to include loans for small business working capital.

SECOND: The attached manual and process description shall be adopted and supersede any previously-adopted program manuals.*

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

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

NAYS: None.

5th Monday Meeting Agenda

Motion by Councilmember Bailey setting the agenda for the 5th Monday Meeting scheduled for September 30, 2019 to discuss ways to improve the City's trash collection ordinance and consider a curb-side recycling component.

Motion supported by Councilmember Law.

Roll Call Vote.

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

NAYS: None.

Recreational Marijuana Presentation/Discussion

City Manager Nathan Henne gave a presentation on recreational marijuana; how it came to be, licenses that are available under the new law, and the options available to the City in regulating recreational marijuana facilities.

Following the presentation there was discussion regarding whether the Planning Commission and Council would be able to develop the policies and practices necessary to implement the law by the December 17th deadline dictated by the moratorium passed in December of 2018; how the vetting process will work; what other municipalities are doing; the potential conversion of current medical marijuana facilities into recreational marijuana facilities; honoring the intent of voters; and whether the public knows the difference between medical marijuana and recreational marijuana.

Motion by Councilmember Fear to direct the City Manager to present Council with a range of potential dates and times to hold a public information session on marijuana.

Motion supported by Councilmember Pidek.

Roll Call Vote.

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

NAYS: None.

COMMUNICATIONS

N. Bradley Hissong, Building Official. August 2019 Building Department Report.

N. Bradley Hissong, Building Official. August 2019 Code Violations Report.

N. Bradley Hissong, Building Official. August 2019 Certificates Issued Report.

N. Bradley Hissong, Building Official. August 2019 Inspections Report.

Kevin D. Lenkart, Public Safety Director. August 2019 Police Report.

Kevin D. Lenkart, Public Safety Director. August 2019 Fire Report.

Historical Commission. Minutes of August 19, 2019.

Planning Commission. Minutes of August 26, 2019.

Parks & Recreation Commission. Minutes of August 28, 2019.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W. M-21, inquired whether the Historic Properties Director position will be filled in the future, and if not, who will be in charge of the Historical Commission? He further asked if City administrators had the authority to develop policies without Council's approval. Changing gears, Mr. Manke said the City cannot afford to put another moratorium in place for recreational marijuana facilities at the risk of alienating millennial voters.

Pete Yerian, 1471 Jackson Drive, suggested Council consider a rule providing preference for marijuana businesses based in the county since they are more likely to give back to the community than a business based far away.

Eddie Urban, 601 Glenwood Avenue, commented about visiting the County Health Department and his enjoyment of funny movies.

Larry Johnson, Director of the Shiawassee County Health Department, indicated he was present at the request of the City Manager to detail the efforts the Health Department is undertaking to educate the public about the dangers of marijuana. He gave the City a large stack of information cards to hand out to the public and spread the message.

Mayor Eveleth asked Mr. Johnson about the status of the Hepatitis A outbreak. Mr. Johnson indicated that they had received grant funding from the State to assist in their efforts to control the spread of the disease and he was happy to say that the outbreak was now under control within the county.

Councilmember Pidek inquired about data the Health Department is tracking regarding Hepatitis A and auto accidents involving marijuana. Director Johnson said that they currently track the number of Hepatitis A cases in the county but do not track marijuana related accidents at this time.

Mayor Eveleth asked the City Manager about his thoughts on the Historic Properties Director position. City Manager Henne indicated that he had recently engaged the OHC board on the matter and they would like to continue without a director until someone new can be hired. He reminded the Council that filling the position was his prerogative as City Manager. He further stated that the City's only purpose in developing an operations agreement with a non-profit organization would be to make historical related services delivered to residents more efficient.

Mayor Eveleth reminded everyone that the Historic Home Tour is this Saturday from 10:00am until 5:00pm. Councilmember Fear pointed out there are still decent positions available for anyone interested.

Councilmember Fear congratulated Councilmember Pidek on the opening of his new Foster Coffee location in East Lansing.

Councilmember Law said he was happy the Council was planning on having discussions regarding recreational marijuana. He said he would like to see the City move with as much speed as possible so things don't get bogged down with recreational marijuana regulation the way they did with medical marijuana. He also said that it was his opinion that medical marijuana would eventually disappear in favor of recreational marijuana.

Councilmember Law went on to thank the Council for appointing a new member to the Shiawassee County Firefighters' Memorial Steering Committee. He displayed two engraved insulated mugs that are now available for sale. He said he also has tickets for their upcoming raffle.

NEXT MEETING

Monday, September 30, 2019 – 5th Monday Meeting
Monday, October 07, 2019 – Regular Meeting

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 – 2 terms expire December 31, 2021
Planning Commission – term expires June 30, 2019
SATA Board of Directors – term expires October 1, 2022

ADJOURNMENT

Motion by Mayor Pro-Tem Osika for adjournment at 9:15 p.m.

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

Christopher T. Eveleth, 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.