

**CITY OF OWOSSO  
REGULAR MEETING OF THE CITY COUNCIL  
MINUTES OF NOVEMBER 18, 2019  
7:30 P.M.**

**PRESIDING OFFICER:** MAYOR CHRISTOPHER T. EVELETH

**OPENING PRAYER:** TOM MANKE

**PLEDGE OF ALLEGIANCE:** MAYOR CHRISTOPHER T. EVELETH

**PRESENT:** Mayor Christopher T. Eveleth, Mayor Pro-Tem Susan J. Osika, Councilmembers Loreen F. Bailey, Janae L. Fear, Jerome C. Haber, and Nicholas L. Pidek.

**ABSENT:** Councilmember Daniel A. Law.

**APPROVAL OF THE MINUTES OF REGULAR MEETING OF NOVEMBER 4, 2019**

Motion by Councilmember Pidek to approve the Minutes of the Regular Meeting of November 4, 2019 as presented.

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

**PROCLAMATIONS / SPECIAL PRESENTATIONS**

None.

**PUBLIC HEARINGS**

**Proposed Special Assessment District No. 2019-01 - Hazards and Nuisances**

A public hearing was conducted to receive citizen comment regarding proposed Special Assessment District No. 2019-01, Hazards and Nuisances, as it relates to unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances.

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

Davina Inman, 1417 Frederick Street, said she purchased the property in February and took possession of it after the heat had been left off in the bank owned house and the water meter froze. She said the bill for a new meter should have gone to the bank, not her.

There being no one else to be heard, the public hearing was closed.

City Manager Henne suggested Council postpone consideration of the roll until the December 2<sup>nd</sup> meeting to allow staff to determine if the property at 1417 Frederick Street should remain on the list and who should be billed for the new water meter.

Motion by Mayor Pro-Tem Osika to postpone consideration of the proposed roll for Special Assessment District No. 2019-01-Hazards & Nuisances until the meeting of December 2, 2019.

Motion supported by Councilmember Haber.

Roll Call Vote.

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

**NAYS:** None.

**ABSENT:** Councilmember Law.

**CITIZEN COMMENTS AND QUESTIONS**

Tom Manke, 2910 W. M-21, asked what the poverty exemption item was for.

Eddie Urban, 601 Glenwood Avenue, said he got stuck in Gladwin last Tuesday due to the weather. He said he has been working on cleaning up his yard and he can't understand why he can't have a privacy fence like other residents.

City Manager Nathan R. Henne indicated he would explain poverty exemptions in detail when the Council reached that item on the agenda.

**CITY MANAGER REPORT**

City Manager Nathan R. Henne detailed the latest Project Status Report for the Council.

**CONSENT AGENDA**

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

**Set Public Hearing – OPRA District – 114-116 W. Main Street.** Set a public hearing for Monday, December 2, 2019 to receive citizen comment regarding the application from Ruesswood REI Group, LLC to establish an Obsolete Property Rehabilitation District for the property located at 114-116 W. Main Street as follows:

**RESOLUTION NO. 168-2019**

**SETTING A PUBLIC HEARING TO CONSIDER ESTABLISHING AN OBSOLETE PROPERTY REHABILITATION DISTRICT FOR THE PROPERTY LOCATED AT 114 W. MAIN STREET**

WHEREAS, a request was received October 29, 2019 along with an Application for Tax Abatement from Randy Woodworth of Ruesswood REI Group, LLC to create an Obsolete Property Rehabilitation District, described as:

LOT 8 & W 2/3 OF LOT 7 BLK 22 OF ORIGINAL PLAT; and

WHEREAS, the Obsolete Property Rehabilitation Act, Act 146 of 2000, is available to the city of Owosso; and

WHEREAS, the act permits the city of Owosso to establish an Obsolete Property Rehabilitation District if certain requirements are met; and

WHEREAS, an Obsolete Property Rehabilitation District may consist of one or more parcels of land; and

WHEREAS, it must be determined that the district consists of obsolete commercial property or commercial housing property as defined in 125.2782, Section 2 (h) of Act 146 of 2000; and

WHEREAS, it must be determined that establishing the district would be beneficial to the city of Owosso, as well as local and regional economy.

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

FIRST: the Owosso City Council sets a public hearing for Monday, December 2, 2019 on or about 7:30 p.m. in the council chambers for the purpose of hearing comments from those within the proposed district, and any other resident or taxpayer, of the city of Owosso.

SECOND: the city clerk gives the notifications as required by law.

THIRD: the city staff is directed to investigate and determine if the qualifications of the act are satisfied and report findings at the hearing.

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

Name	Board/Commission	Term Expires
Jamie Burke	Shiawassee District Library Board	06-30-2023
Kevin Maginity	Parks & Recreation Commission (filling unexpired term of R. Woodworth)	06-30-2021

**Living Nativity Scene Permission.** Approve request from First United Methodist Church for the closure of North Street from Water Street to Hickory Street for a Live Nativity Scene Saturday, December 7, 2019 from 5:30pm until 9:30pm and authorize Traffic Control Order No. 1429 formalizing the action.

**Glow Owosso Permission.** Approve request from Owosso Main Street for use of various streets in the downtown and High School area and the closure of Main Street Plaza at various times on November 29, 2019 for Owosso Glow events, waive the insurance requirement, and approve Traffic Control Order No. 1430 formalizing the request.

**Flexible Spending Account Terms Adoption.** Authorize acceptance of the terms governing the Flexible Spending Accounts available to City employees, with an effective date of January 1, 2020 as follows:

**RESOLUTION NO. 169-2019**

**ADOPTING THE CITY OF OWOSSO FLEXIBLE SPENDING PLAN**

WHEREAS, the city of Owosso, a Michigan municipal corporation, provides a cafeteria plan for its employees;

WHEREAS, under the tax laws of the United States of America the city council must adopt a resolution for the calendar year effective January 1, 2020 and subsequent years.

NOW THEREFORE, the city council of the city of Owosso, Michigan (the employer) resolves:

- FIRST: that the form of Cafeteria Plan including a Dependent Care Flexible Spending Account and Health Flexible Spending Account effective January 1, 2020 presented and attached is approved and adopted and that the duly authorized agents of the city are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.
- SECOND: that the Administrator is instructed to take such actions that they deem necessary and proper to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan.
- THIRD: the undersigned certifies that attached as Exhibit A, are true copies of the *City of Owosso Flexible Spending Plan* approved and adopted in this resolution.
- FOURTH: that all prior resolutions and documents for the *City of Owosso Flexible Spending Plan* are rescinded as of January 1, 2020.

**Contract Extension – IT/Network Engineering Services.** Authorize extension of the contract with Logicalis, Inc. for the provision of network administrator services for the 2020 calendar year in an amount not to exceed \$90,000.00, and further authorize payment to the vendor for services rendered up to the contract amount as detailed below:

**RESOLUTION NO. 170-2019**

**ADOPTING THE LOGICALIS, INC. PROJECT CHANGE REQUEST FOR JEFF KISH**

WHEREAS, the city of Owosso, a Michigan municipal corporation, utilizes a sophisticated network of computers to facilitate day-to-day operations; and

WHEREAS, said network requires the services of a skilled professional to continue to function properly; and

WHEREAS, the city contracts with Logicalis, Inc. for the provision of network administrator services; and

WHEREAS, the city council must adopt a resolution authorizing the terms of the contract for the calendar year effective January 1, 2020 through December 31, 2020.

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

- FIRST: The City of Owosso has determined it is advisable, necessary and in the public interest to continue the contract with Logicalis, Inc. for network administrator services for the year beginning January 1, 2020.
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in form attached as Staffing Statement of Work between the City of Owosso and Logicalis, Inc.
- THIRD: The accounts payable department is authorized to pay Logicalis, Inc. for work satisfactorily performed in an amount not to exceed \$90,000.00.
- FOURTH: The above expenses shall be paid from Account No. 101-258-818000.

FIFTH: All prior resolutions and documents for the *Logicalis Network Administrator Services and/or Staffing SOW* are rescinded as of January 1, 2020.

**Purchase Authorization – WWTP Cargo Van.** Waive competitive bidding requirements, authorize a joint purchase from Owosso Motors, Inc. d/b/a Signature Auto Group of Owosso via State of Michigan Contract No. 071B7700180 for one 2020 Ford F-150 Transit Cargo Van in the amount of \$28,540.00, further authorize a contingency of \$750.00 to be used upon administrative consent, and approve payment up to the quoted amount, plus the contingency, upon satisfactory delivery of said vehicle.

**Warrant No. 577.** Authorize Warrant No. 577 as follows:

Vendor	Description	Fund	Amount
Michigan Municipal League Workers' Compensation Fund Inc.	Worker's Compensation Insurance- 3 of 4 installments for FY 19/20	Various	\$27,947.00

**Check Register – October 2019.** Affirm check disbursements totaling \$2,438,570.48 for October 2019.

Motion supported by Councilmember Pidek.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Law.

**ITEMS OF BUSINESS**

**Retirement System Funds Transfer**

City Manager Henne noted that the item before Council this evening would complete the transition of the Police Patrol unit to the MERS retirement system.

Motion by Councilmember Bailey to accept the transfer of the Police Patrol unit and its corresponding retirees to the MERS System in the amount of \$4,953,970.00.

Motion supported by Councilmember Fear.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Law.

**Obsolete Property Rehabilitation Exemption Certificate Revocation - 300 W. Main Street**

Motion by Councilmember Fear to revoke Obsolete Property Rehabilitation Exemption Certificate #3-16-0011 issued to Owosso REI Group, LLC for the property located at 300 West Main Street due to a lack of follow-through on the project as detailed below:

**RESOLUTION NO. 171-2019**

**AUTHORIZING THE REVOCATION OF  
OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE # 3-16-0011**

WHEREAS, Obsolete Property Rehabilitation Exemption application was approved by the City Council of the City of Owosso on May 16, 2016 for real property located at 300 W Main Street; and

WHEREAS, the State Tax Commission considered and approved Certificate # 3-16-0011 on December 13, 2016; and

WHEREAS, the rehabilitation of the facility failed to proceed in good faith with the operation of the facility; and

WHEREAS, per Act 146 of 2000, 125.2792, section 12, the City of Owosso has determined the rehabilitation has not proceeded in a manner consistent with the purposes of the act; and

WHEREAS, owner of this facility, was notified by certified first class mail on October 15, 2019 of the intention of the City of Owosso to revoke the Obsolete Property Rehabilitation Exemption Certificate # 3-16-0011.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Owosso, Michigan that Obsolete Property Rehabilitation Exemption Certificate # 3-16-0011 for the property at 300 W. Main Street, Owosso is hereby revoked.

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Law.

**Industrial Facilities Exemption Certificate Revocation – 300 W. Main Street**

Motion by Councilmember Fear to recommend revocation of Industrial Facilities Exemption Certificate #2016-123 issued to Owosso REI Group, LLC for the property located at 300 West Main Street due to a lack of follow-through on the project as follows:

**RESOLUTION NO. 172-2019**

**RECOMMENDING THE REVOCATION OF  
INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE # 2016-123  
FOR REAL AND PERSONAL PROPERTY  
LOCATED AT 300 W. MAIN STREET**

WHEREAS, an Industrial Facilities Exemption application was approved by the City Council of the City of Owosso on September 19, 2016 for real and personal property located at 300 W. Main Street; and

WHEREAS, the State Tax Commission considered and approved Certificate # 2016-123 on December 13, 2016; and

WHEREAS, Section 15 of Public Act 198 of 1974 provides that the legislative body of the governmental unit which approved the application for the certificate may request the State Tax Commission to revoke the industrial facilities exemption certificate if it finds, among other things, that the holder of the exemption has not proceeded in good faith with the operation of the facility in a manner consistent with the purposes of the public act and in absence of circumstances that are beyond the control of the holder of the exemption certificate; and

WHEREAS, the City of Owosso Council finds that the rehabilitation of the facility has failed to proceed in good faith with the operation of the facility; and

WHEREAS, the owner, Owosso REI Group, LLC., has been notified by certified mail of the intention of the City of Owosso to revoke Industrial Facilities Exemption Certificate # 2016-123.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Owosso hereby requests that the State Tax Commission revoke Industrial Facilities Exemption Certificate No. 2016-123 for Owosso REI Group, LLC. for real property in the amount of \$274,032 and personal property in the amount of \$289,750 located at 300 W. Main St and that the City Clerk submit the resolution to the State Tax Commission for issuance of an official order of revocation.

Motion supported by Councilmember Pidek.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Law.

**2020 Income Threshold Poverty Exemptions**

City Manager Henne explained the nature of poverty exemption thresholds saying they are the limits set by Council used to determine (along with an asset test) whether a homeowner would qualify for a property tax exemption in that year.

After a brief discussion the Council moved as follows:

Motion by Councilmember Bailey to adopt the 2020 Income Threshold Poverty Exemptions, as required by Public Act No. 390 of 1994, using a blended version of the federal poverty income standards and 40% of the median income for Shiawassee County as follows:

**2020 Income Standards Poverty Threshold**

Number of persons residing in homestead	Annual allowable income
1 person	\$18,160
2 persons	\$20,760
3 persons	\$23,360
4 persons	\$25,920
5 persons	\$30,170
6 persons	\$34,590
7 persons	\$39,010
8 persons	\$43,430
Each additional person, add	\$4,420

Income of students under the age of 18 years, **shall not** be included as income

Motion supported by Councilmember Fear.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Law.

**DWRF 2020 Project Approval & Funding Request**

Motion by Mayor Pro-Tem Osika to approve the water utility projects selected for the 2020 project year and request funding of said projects via the Drinking Water Revolving Fund as follows:

**RESOLUTION NO. 173-2019**

**AUTHORIZING RESOLUTION NO. 2 TO APPROVE SUBMISSION AND FUNDING OF THE 2020 DRINKING WATER REVOLVING FUND PROJECT PLANS**

WHEREAS, the City of Owosso recognizes the need to make improvements to its existing water treatment and distribution system; and

WHEREAS, the City of Owosso authorized OHM Advisors to prepare a Project Plan, which recommended improvements to water treatment facilities and water main infrastructure, projected at a cost of \$15,300,000 over a five year project period beginning in 2020, and

WHEREAS, the City of Owosso is seeking funding from the Michigan Drinking Water Revolving Fund for said major repairs; and

WHEREAS, the City Council approved Resolution No. 1 on April 15, 2019 formally adopting Project Plan Alternative #1 and designating an authorized representative for the plan as step one to obtain DWRF funding; and

WHEREAS, the City of Owosso Director of Public Services & Utilities has selected two segments of the project plan for submission to the MDEQ/EGLE for review and funding approval for the 2020 project year, and

WHEREAS, City Council approval is required for project submission and funding request.

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 2020 Project Plans for improvements to water mains and the Water Treatment Facility.

SECOND: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to acquire funding from the MDEQ/EGLE DWRP for the 2020 project plan capital improvements in the projected amount of \$3,498,079.00.

Motion supported by Councilmember Haber.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Law.

### **SRF 2020 Project Approval & Funding Request**

Motion by Mayor Pro-Tem Osika to approve the sanitary sewer system and treatment facilities projects selected for the 2020 project year and request funding of said projects via the State Revolving Fund as detailed:

#### **RESOLUTION NO. 174-2019**

#### **AUTHORIZING RESOLUTION NO. 2 TO APPROVE SUBMISSION AND FUNDING OF THE 2020 SANITARY SEWER STATE REVOLVING FUND (SRF) PROJECT PLANS**

WHEREAS, the City of Owosso has prepared a project plan to make improvements to the City's sanitary sewer collection system, rehabilitate manholes, and construct a new 1,000,000 gallon retention basin with a projected cost of \$4,917,400.00, and a five year project period beginning in 2020; and

WHEREAS, the City of Owosso has also prepared a project plan to make infrastructure improvements at the wastewater treatment facility with a projected cost of \$5,567,000.00, and a five year project period beginning in 2020; and

WHEREAS, these improvements are required to comply with regulatory requirements and to increase the reliability of service to residents and customers, and

WHEREAS, the City of Owosso wishes to apply to the State Revolving Fund for a low interest loan to fund the project; and

WHEREAS, the City Council approved Resolution No. 1 on June 3, 2019 adopting the project plan for sanitary sewer collection improvements and designating an authorized representative for the plan as step one to obtain SRF funding; and

WHEREAS, the City Council approved Resolution No. 1 on June 17, 2019 adopting the project plan for waste water treatment plant improvements and designating an authorized representative for the plan as the first step in obtaining SRF funding; and

WHEREAS, the City of Owosso Director of Public Services & Utilities has selected three segments of the approved project plans for submission to the MDEQ/EGLE for review and funding approval for the 2020 project year; and

WHEREAS, City Council approval is required for this project submission and funding request.

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 2020 project plans for improvements to the sanitary sewer collection system and the wastewater treatment facility.

SECOND: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to acquire funding from the MDEQ/EGLE for the 2020 project plan capital improvements at the projected amount of \$3,378,438.00.

Motion supported by Councilmember Pidek.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilmember Law.

### **COMMUNICATIONS**

Cheryl A. Grice, Finance Director. October 2019 Revenue & Expenditure Report.  
N. Bradley Hissong, Building Official. 2019 Liquor License Inspection Report.  
N. Bradley Hissong, Building Official. October 2019 Building Department Report.  
N. Bradley Hissong, Building Official. October 2019 Code Violations Report.  
N. Bradley Hissong, Building Official. October 2019 Certificates Issued Report.  
N. Bradley Hissong, Building Official. October 2019 Inspections Report.  
Kevin D. Lenkart, Public Safety Director. October 2019 Police Report.  
Kevin D. Lenkart, Public Safety Director. October 2019 Fire Report.  
Brownfield Redevelopment Authority. Minutes of October 6, 2019.  
Historical Commission. Minutes of October 15, 2019.  
Historical Commission. Minutes of November 12, 2019.

### **CITIZEN COMMENTS AND QUESTIONS**

Tom Manke, 2910 W. M-21, sought further clarification on the poverty exemptions asking if taxes would automatically be waived for those that meet the income thresholds. It was noted the process is not automatic, application is required.

Eddie Urban, 601 Glenwood Avenue, mentioned that he has lots of stuff for sale including old bikes, hand tools, outboard motors, and antique chain saws.

Mayor Pro-Tem Osika welcomed Leadership Shiawassee attendees Brent Singer and Trafton Jean to the meeting.

City Manager Henne noted that an application for poverty exemption has to be completed prior to the March Board of Review.

### **NEXT MEETING**

Monday, December 02, 2019

### **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, 2019  
Historical Commission – 2 terms expire December 31, 2020  
Parks & Recreation Commission – term expires June 30, 2021  
Planning Commission – term expires June 30, 2020  
Planning Commission – term expires June 30, 2022

### **ADJOURNMENT**

Motion by Mayor Pro-Tem Osika for adjournment at 8:12 p.m.

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

---

Christopher T. Eveleth, Mayor

---

Amy K. Kirkland, City Clerk