

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF DECEMBER 2, 2019
7:30 P.M.**

PRESIDING OFFICER: MAYOR CHRISTOPHER T. EVELETH

OPENING PRAYER: PASTOR DEB GRAZIER
FIRST CONGREGATIONAL CHURCH

PLEDGE OF ALLEGIANCE: CITY MANAGER NATHAN R. HENNE

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 as presented.

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

APPROVAL OF THE MINUTES OF SPECIAL MEETING OF NOVEMBER 12, 2019

Motion by Mayor Pro-Tem Osika to approve the Minutes of the Special Meeting of November 12, 2019 as presented.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF NOVEMBER 18, 2019

Motion by Councilmember Bailey to approve the Minutes of the Regular Meeting of November 18, 2019, as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

Giving Tuesday Proclamation

Numerous representatives of the organizations participating in Giving Tuesday/Raise Up Shiawassee Day joined Mayor Eveleth at the podium as he read aloud the following Proclamation of the Mayor's Office declaring Tuesday, December 3, 2019 as Giving Tuesday in the City of Owosso:

**A PROCLAMATION
OF THE MAYOR'S OFFICE OF THE CITY OF OWOSSO, MICHIGAN
PROCLAIMING TUESDAY, DECEMBER 3, 2019 AS
"GIVING TUESDAY/RAISE UP SHIAWASSEE" DAY IN THE CITY OF OWOSSO**

WHEREAS, Giving Tuesday was established as an international day of giving on the Tuesday following Thanksgiving; and

WHEREAS, Giving Tuesday is a celebration of philanthropy and volunteerism where people give whatever they are able to give; and

WHEREAS, Giving Tuesday is a day where citizens work together to share commitments, rally for favorite causes, build stronger communities, and think about other people; and

WHEREAS, locally Giving Tuesday has been given the name "Raise Up Shiawassee" to encompass all community efforts in Shiawassee County, including the participation of 17 nonprofit organizations; and

WHEREAS, the 19 local nonprofit organizations include: The Arc Mid-Michigan, Child Advocacy Center, DeVries Nature Conservancy, Durand Union Station, Friends of the Shiawassee River, Girls on the Run, Great Start Shiawassee, The Laingsburg Clothesline, Lebowsky Center for Performing Arts, Memorial Healthcare Foundation, Pregnancy Resource Center Shiawassee, Respite

Volunteers of Shiawassee, SafeCenter, Shiawassee Arts Center, Shiawassee Community Foundation, Shiawassee Family YMCA, Shiawassee Hope, Shiawassee Humane Society, and Shiawassee Hunger Network; and

WHEREAS, it is fitting and proper on Giving Tuesday/Raise Up Shiawassee Day, and on every day, to recognize the tremendous impact of philanthropy, volunteerism, and community service in the City of Owosso and the greater Shiawassee County area; and

WHEREAS, Giving Tuesday is an opportunity to encourage citizens to “Raise Up Shiawassee” by serving others throughout this holiday season and throughout the year.

NOW, THEREFORE, I, Christopher T. Eveleth, Mayor of the City of Owosso, do hereby proclaim December 3, 2019 as Giving Tuesday/Raise Up Shiawassee Day in the City of Owosso, and encourage all citizens to join together to give back to the community in any way that is personally meaningful.

Proclaimed this 2nd day of December, 2019.

PUBLIC HEARINGS

OPRA District – 114-116 W. Main Street, 2nd & 3rd Floors

City Manager Nathan R. Henne explained that the request before Council this evening is to receive public comment and consider establishing an obsolete property rehabilitation district for the 2nd and 3rd floors of the building at 114-116 West Main Street. The district will encompass only the two noted floors of the building.

A public hearing was conducted to receive citizen comment regarding the application from Ruesswood REI Group, LLC to establish an Obsolete Property Rehabilitation District for the 2nd and 3rd floors of the property located at 114-116 W. Main Street.

There were no citizen comments received prior to, or during the meeting regarding the proposed tax exemption district.

Councilmember Pidek inquired if it was common for a tax abatement district to include only select floors of a building. City Manager Henne indicated it is not common, but is addressed in the OPRA Act.

Councilmember Fear asked whether establishment of the district entitled the property owners to any other tax exemptions. It was noted it would not.

Whereas, the Council, after due and legal notice, has met and there being no one to be heard, motion by Councilmember Bailey that the following resolution be adopted:

RESOLUTION NO. 175-2019

ESTABLISHING AN OBSOLETE PROPERTY REHABILITATION DISTRICT FOR THE PROPERTY COMMONLY KNOWN AS FLOORS 2 & 3 OF 114-116 W. MAIN STREET

WHEREAS, request was received October 29, 2019, from Randy Woodworth of Ruesswood REI Group, LLC Development to establish an obsolete rehabilitation district commonly known as the 2nd and 3rd floors of 114-116 W. Main Street and described as:

FLOORS 2 & 3 OF LOT 8 & W 2/3 OF LOT 7 BLK 22 OF ORIGINAL PLAT,

WHEREAS, the Obsolete 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; and

WHEREAS, a public hearing was held for the purpose of hearing comments from those within the proposed district, and any other resident or taxpayer, of the city of Owosso; and

WHEREAS, the city clerk has given notification as required by law and this act, and

WHEREAS, the city council has determined that the qualifications of the act are satisfied.

NOW, THEREFORE, BE IT RESOLVED by the city council of the city of Owosso, Shiawassee County, Michigan that on this date, December 2, 2019, in accordance with the Obsolete Rehabilitation Act, Act 146 of 2000, the said district detailed above is hereby approved.

Motion supported by Councilmember Pidek.

Roll Call Vote.

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

NAYS: None.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W. M-21, asked that people think of giving to one of the many small local charitable organizations on Giving Tuesday. He also asked when recreational marijuana will be for sale in Owosso.

Yvette Collard, non-profit volunteer, pointed out that of the 19 non-profit organizations mentioned in the proclamation not all of them have paid staff.

Eddie Urban, 601 Glenwood Avenue, said he paid his sister's taxes recently and he asked for a list of the organizations that are involved in Giving Tuesday. Lastly, he asked for clarification as to why the sheds on his property are no longer grandfathered in and have to be taken down. Davina Inman, owner of property at 1417 Frederick Street, protested the continued inclusion of her property on the Hazards & Nuisances Special Assessment Roll. She said the new water meter should have been billed to the bank that owned the property before she purchased it.

Mayor Eveleth announced the Historical Commission Holiday Party to be held this Thursday from 5:30pm to 8:30 pm at Curwood Castle. He also thanked everyone involved in Glow Owosso saying it was bigger and better than ever before.

Mayor Eveleth then asked the City Manager for an update on recreational marijuana. City Manager Henne indicated that he is planning on bringing the topic up in January.

Responding to Mr. Urban's inquiry for clarification, Mayor Eveleth noted that he can't comment on pending legal matters.

Lastly, Mayor Eveleth responded to Ms. Inman's protest noting that Council will be talking about her issue specifically later in the meeting.

Councilmember Bailey said the town looks great all decked out for Christmas.

Councilmember Law said now that the State has allowed medical marijuana provisioning centers to sell recreational marijuana he would like Council to consider such sales as soon as possible.

CITY MANAGER REPORT

City Manager Nathan R. Henne distributed a DPW Project Status Report to Council.

CONSENT AGENDA

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

Set Public Hearing - Obsolete Property Rehabilitation Exemption Certificate – 114-116 W. Main Street. Set a public hearing for Monday, December 16, 2019 to receive citizen comment regarding the application from Ruesswood REI Group, LLC for an Obsolete Property Rehabilitation Exemption Certificate for their property at 114-116 W. Main Street as follows:

RESOLUTION NO. 176-2019

SETTING A PUBLIC HEARING TO CONSIDER APPLICATION FOR AN OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE FOR THE 2ND & 3RD FLOORS OF THE BUILDING AT 114-116 W. MAIN STREET

WHEREAS, the City of Owosso received application for an Obsolete Property Rehabilitation Exemption Certificate on October 21, 2019 from Randy Woodworth of Ruesswood REI Group LLC; and

WHEREAS, the City of Owosso approved a request to establish an Obsolete Property Rehabilitation District on December 2, 2019 for the property described as:

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

WHEREAS, it must be determined that approval of the Obsolete Property Rehabilitation Certificate 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 December 16, 2019 on or about 7:30 p.m. in the council chambers for the purpose of hearing comments for those within the 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.

2020 Schedule of Meetings. Adopt the 2020 Boards and Commissions Meeting Schedule as detailed below:

**CITY OF OWOSSO
SCHEDULE OF REGULAR MEETINGS
FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2020**

NOTICE IS HEREBY GIVEN, pursuant to the provisions of Act 267, Public Acts of 1976, of the schedule of Regular Meetings of the City of Owosso, County of Shiawassee, State of Michigan for the calendar year beginning January 1, 2020. The Board, dates, time and place of said regular meetings shall be as follows:

CITY COUNCIL					
The 1 st and 3 rd Monday of each month, except as noted – 7:30 p.m., local prevailing time					
<i>Dates in italic text denote a 5th Monday meeting</i>					
Owosso City Hall, Council Chambers					
JAN 06	MAR 02	MAY 04	JUL 06	SEP 08*	NOV 02
JAN 21*	MAR 16	MAY 18	JUL 20	SEP 21	NOV 16
FEB 03	MAR 30	JUN 01	AUG 03	OCT 05	NOV 30
FEB 18*	APR 06	JUN 15	AUG 17	OCT 19	DEC 07
	APR 20		AUG 31		DEC 21
DOWNTOWN DEVELOPMENT AUTHORITY / OWOSSO MAIN STREET			DOWNTOWN HISTORIC DISTRICT COMMISSION		
The 1 st Wednesday of each month, except as noted – 7:30 a.m., local prevailing time			The 3 rd Wednesday of each month - 6:00 p.m., local prevailing time		
Owosso City Hall, Council Chambers			Owosso City Hall, Conference Room		
JAN 02*	MAY 06	SEP 02	JAN 15	MAY 20	SEP 16
FEB 05	JUN 03	OCT 07	FEB 19	JUN 17	OCT 21
MAR 04	JUL 01	NOV 04	MAR 18	JUL 15	NOV 18
APR 01	AUG 05	DEC 02	APR 15	AUG 19	DEC 16
EMPLOYEES RETIREMENT SYSTEM BOARD			OWOSSO HISTORICAL COMMISSION		
The 4 th Wednesday of even months, except as noted - 7:15 a.m., local prevailing time			The 2 nd Monday of each month, except as noted – 6:00 p.m., local prevailing time		
Owosso City Hall, Council Chambers			Curwood Castle, 226 Curwood Castle Drive		
FEB 26	JUN 24	OCT 28	JAN 13	MAY 11	SEP 14
APR 22	AUG 26	DEC 9*	FEB 10	JUN 08	OCT 13*
			MAR 09	JUL 13	NOV 09
			APR 13	AUG 10	DEC 14
PARKS & RECREATION COMMISSION			PLANNING COMMISSION		
The 4 th Wednesday of each month, except as noted – 7:30 p.m., local prevailing time			The 4 th Monday of each month, except as noted – 6:30 p.m., local prevailing time		
Owosso City Hall, Council Chambers			Owosso City Hall, Council Chambers		
JAN 22	MAY 27	SEP 23	JAN 27	MAY 26*	SEP 28
FEB 26	JUN 24	OCT 28	FEB 24	JUN 22	OCT 26
MAR 25	JUL 22	NOV 25	MAR 23	JUL 27	NOV 23
APR 22	AUG 26	DEC 09*	APR 27	AUG 24	DEC 14*
ZONING BOARD OF APPEALS			* = Rescheduled due to legal holiday on regular		

The 3 rd Tuesday of each month, except as noted – 9:30 a.m., local prevailing time			meeting date or other scheduling conflict
Owosso City Hall, Council Chambers			
JAN 21	MAY 19	SEP 15	
FEB 18	JUN 16	OCT 20	
MAR 17	JUL 21	NOV 17	
APR 21	AUG 18	DEC 15	

New Year's Eve Block Party Permission. Approve request from Owosso Main Street for the closure of Main Street Plaza (Lot #13) on Tuesday, December 31, 2019 at 8:00 p.m. until Tuesday, January 1, 2020 at 1:30 a.m. as well as the closure of South Washington Street from Main Street to Jerome Avenue on Tuesday, December 31, 2019 at 10:00 p.m. until Tuesday, January 1, 2020 at 1:30 a.m. for the New Year's Eve Block Party, waive the insurance requirement, and approve Traffic Control Order No. 1431 formalizing the request.

Christmas on Main Permission. Approve request from Owosso Main Street for the closure of Main Street Plaza (Lot #13) on Saturday, December 14, 2019 from 8:00 a.m. until 5:00 p.m. for the Christmas on Main event, waive the insurance requirement, and approve Traffic Control Order No. 1432 formalizing the request.

Contract Amendment – South Washington Street Reconstruction Project - Engineering Services

Contract. Approve Amendment No. 3 to the contract with Eng., Inc. for additional engineering services for the South Washington Street Reconstruction Project, due to unforeseen underground issues and some weather related impacts requiring additional time for construction oversight and MDOT compliance, in the amount of \$3,930.00 as follows:

RESOLUTION NO. 177-2019

**AUTHORIZING AMENDMENT NO. 3
TO THE 2019 SOUTH WASHINGTON STREET RECONSTRUCTION
PROJECT
ENGINEERING SERVICES CONTRACT WITH ENG., INC. FOR
ADDITIONAL ENGINEERING SERVICES**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved a Contract with Eng., Inc. on March 5, 2018 for Engineering Survey and Design Services for the South Washington Street Reconstruction Project; and

WHEREAS, the city requests additional services of the consultant to provide engineering design and construction oversight services for pavement reconstruction along Washington Street, from Gute Street to M-21 (Corunna Avenue) that is beyond the original contractual scope of services.

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 amend the contract with Eng., Inc. for a cost to the city of Owosso in the amount of \$3,930.00 for additional construction engineering oversight services, as outlined within the attached proposal.
- SECOND: The mayor and city clerk are requested and authorized to sign Contract Amendment No. 3 to the Contract between the City of Owosso, Michigan and Eng., Inc.
- THIRD: The Accounts Payable department is authorized to make payment up to the amended contract amount of \$132,925.00 to Eng., Inc. upon successful completion of stated work.
- FOURTH: The above expenses shall be paid from the Major Street Construction Account No. 202-451-818.000-SWASHWATRO.

Motion supported by Councilmember Law.

Roll Call Vote.

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

NAYS: None.

ITEMS OF BUSINESS

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

City Manager Henne indicated that this item had been postponed at the last meeting to allow time to investigate the issue the owner of 1417 Frederick Street has raised as to who should be responsible for charges for a new water meter.

There was a lengthy discussion among the Council, City staff, and the property owner as to who is responsible for the cost of a new water meter. There was debate whether the charges should be assessed to the property owner or the bank that owned the property before she purchased it. Utilities Director Glenn M. Chinavare offered to put together a timeline to determine what happened in this situation.

Motion by Choose an item. to approve the Special Assessment District No. 2019-01, Hazards and Nuisances roll, as it relates to unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances as follows, without the charges for 1417 Frederick Street, and direct City staff collect documentation of the situation for consideration at the December 16, 2019 meeting:

RESOLUTION NO. 178-2019 ←

Amended by
Resolution No. 185-2019
approved 12/16/2019.

**AUTHORIZING THE ROLL FOR
SPECIAL ASSESSMENT DISTRICT NO. 2019-01, HAZARDS & NUISANCES**

WHEREAS, the Council, after due and legal notice, has met and having heard all interested parties at the November 18, 2019 meeting, 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
050-621-002-006-00	321 STATE ST	CLEAN UP	\$765.00
050-390-004-012-00	1260 ADAMS ST	MOWING	\$150.00
050-010-024-003-00	1210 CORUNNA AVE	CLEAN UP	\$170.67
050-010-024-003-00	1210 CORUNNA AVE	CLEAN UP	\$256.74
050-602-006-009-00	823 TRACY ST	CLEAN UP	\$495.33
050-470-017-005-00	220 N PARK ST	METER REPLACEMENT	\$297.72
050-310-002-003-00	900 ADA ST	CLEAN UP	\$2,106.24
050-010-017-030-00	614 ALGER AVE	MOWING	\$150.00
050-240-003-020-00	652 N PARK ST	MOWING	\$170.00
050-390-004-012-00	1260 ADAMS ST	MOWING	\$150.00
050-010-018-007-00	740 WOODLAWN	MOWING	\$150.00
050-420-009-006-00	831 GRAND AVE	MOWING	\$170.00
050-660-011-011-00	216 N LANSING ST	MOWING	\$150.00
050-010-022-003-00	980 CORUNNA AVE	ORDINANCE VIOLATION	\$50.00
050-240-003-020-00	652 N PARK ST	MOWING	\$170.00
050-420-011-015-00	755 BROADWAY AVE	MOWING	\$170.00
050-390-004-012-00	1260 ADAMS ST	MOWING	\$150.00
050-390-004-012-00	1260 ADAMS ST	MOWING	\$150.00
050-420-011-015-00	755 BROADWAY AVE	MOWING	\$170.00
050-010-016-006-00	629 ALGER AVE	MOWING	\$170.00
050-710-001-012-00	915 CORUNNA AVE	MOWING	\$210.00
050-390-004-012-00	1260 ADAMS ST	MOWING	\$150.00
050-651-006-007-00	320 CASS ST	CLEAN UP	\$293.22
050-420-011-011-00	719 BROADWAY	CLEAN UP	\$502.96

\$7,367.88

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 \$7,367.88 is hereby confirmed and shall be known as Special Assessment Roll-Hazards and Nuisances No. 2019-01.
2. Said Special Assessment Roll-Hazards and Nuisances No. 2019-01 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: Councilmembers Fear, Law, Bailey, Mayor Pro-Tem Osika, Councilmembers Haber, Pidek, and Mayor Eveleth.

NAYS: None.

Water & Sewer Rate Proposal

City Manager Henne detailed the changes being proposed in a PowerPoint presentation. He said they were asking for a 4% increase and showed how the rates are determined. Average usage is twenty-four units per quarter and he predicted in-City residents with average usage would see a bill of about \$207.20 per quarter if the rate increases are adopted. He went on to say that the overall trend in rates will continue to rise as the City takes on the future projects that are required. On the bright side he said the MEDC recently established a grant program for the type of projects the City will be undertaking.

There was discussion among Council. The point was made that we are letting money leak into the ground if we do nothing to fix any of the issues facing our utility systems. City Manager Henne said he would like to see overall water loss reduced to 4% over time.

Motion by Councilmember Pidek to approve the following resolution adopting water and sewer rates beginning January 1, 2020:

RESOLUTION NO. 179-2019

WATER AND SEWER RATE SCHEDULE FOR THE CITY BEGINNING FIRST QUARTER JANUARY 2020

"Pursuant to Sections 34-248. Water Rates, and 34-249. Sewer Rates, of Article V, of Chapter 34, of the Owosso City Code, the City Council does hereby resolve that the rate schedule for water and sewer service shall be in effect for the City beginning December 18, 2019 and continuing thereafter until modified or replaced by further Council action. Bills issued with a nominal ending bill date of December 17, 2019 shall be billed under the previous rate schedule. All previous resolutions or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed following the effective date of this schedule."

I. QUARTERLY WATER AND SEWER RATES

In-town quarterly water service charges consist of: a demand charge based on water meter size (see table below), a capital charge dedicated for water main replacement, and a metered usage charge. One meter unit is equal to 100 cubic feet of water or about 750 gallons. Rates for retail out-of-town water service are double the in-town rate, except that the capital charge does not apply to out-of-town customers where the respective Township separately finances water main replacement. Twenty five percent of the out-of-town revenue is collected for and transferred to the respective Township for use in replacing and improving their water distribution system.

Quarterly sewer charges consist of a demand charge based on the water meter size (see table below) and a sewer usage charge based on metered water consumption. The City has no retail out-of-town sewer service.

Bills are issued on a quarterly basis and, if not paid by the due date as shown on the billing, a late payment charge of ten percent (10%) of the current amount due may be added for failure to make prompt payment.

QUARTERLY WATER SERVICE CHARGE:

In-town: In-town Water Usage Charge of \$2.26 per meter unit plus In-town Water Demand Charge plus Capital Charge from Table below.

Out-of-town: Out-of-town Water Usage Charge of \$4.52 per meter unit plus Out-of-town Water Demand Charge from Table below.

QUARTERLY SEWER SERVICE CHARGE:

Sewer Usage Charge of \$2.80 per unit plus Sewer Demand Charge from Table below.

For residential customers without metered water service, the quarterly sewer charge shall be \$99.20 per residential unit.

QUARTERLY DEMAND CHARGE TABLES

A. Potable Water & Sewer Service

Water Meter Size	Water Demand	Water Capital	Sewer Demand	Combined In-Town	Water Only (Out-of-town)
5/8"	\$38.00	\$ 24.00	\$ 32.00	\$ 94.00	\$ 76.00
3/4"	57.00	37.00	48.00	142.00	114.00
1"	95.00	61.00	80.00	236.00	190.00
1.5"	190.00	122.00	159.00	471.00	380.00
2"	304.00	195.00	255.00	754.00	608.00
3"	570.00	336.00	478.00	1,384.00	1,140.00
4"	950.00	611.00	797.00	2,358.00	1,900.00
6"	1,900.00	1,222.00	1,594.00	4,716.00	3,800.00

For a residential user with a second 5/8" meter on a single service line for water only irrigation service, the user shall be charged a single water demand and capital charge for a 5/8" meter as a separate/additional metered service on a year round basis.

The demand charge for multiple residential units served by a single water meter shall be based on actual meter size provided the meter meets the minimum size requirement per the following table:

<u>Number of Apartments</u>	<u>Minimum Meter Size</u>
1 - 3	5/8"
4 - 7	3/4"
8 - 11	1"
12 - 15	1&1/2"
16 - 24	2"
24 - 48	3"
Over 48	4"

B. Fire Protection Service

<u>Sprinkler Service</u>	<u>Quarterly Water Charge</u>			
	<u>Riser Size</u>	<u>In-Town</u>		<u>Out-of-Town</u>
		<u>Demand</u>	<u>Capital</u>	<u>Demand</u>
3 inch	\$ 38.00	\$ 24.00	\$ 76.00	
4 inch	\$ 57.00	\$ 37.00	\$ 114.00	
6 inch	\$ 95.00	\$ 61.00	\$ 190.00	
8 inch	\$ 190.00	\$ 122.00	\$ 380.00	
10 inch	\$ 304.00	\$ 195.00	\$ 608.00	

II. HYDRANT RENTAL CHARGES

Hydrants located outside the City of Owosso and private hydrants maintained by the City of Owosso shall be subject to an annual hydrant rental charge of \$165.00.

III. BULK WATER CHARGES

For users with an active city water service connection, bulk water delivered by the city from hydrants or other approved outlets for such purposes as pool filling, shall be charged at the standard metered usage rate given in Section I. above along with actual labor and equipment costs with a minimum charge of \$50.00.

Other bulk water sales, such as filling tank trucks, shall be charged at the rate of \$10.00 per thousand gallons with a \$50.00 minimum charge, which includes up to 5,000 gallons, if during the normal workday at an established city delivery point. After hours bulk water sales and/or sales at other than established city delivery points, shall be charged at the rate of \$10.00 per thousand gallons plus actual labor and equipment costs.

For customers who do not prepay a \$10 service charge shall apply for invoicing.

(Note: These charges do not apply to water supplied for firefighting).

IV. INCREMENTAL WATER AND SEWER USAGE CHARGES FOR BILLING
ADJUSTMENTS RELATED TO PLUMBING LEAKS

The incremental water and sewer usage charges shall be 50% of the normal usage charge. These incremental usage rates are for the purpose of making adjustments to significantly high bills attributable to plumbing leaks and may be applied in accordance with Guidelines separately approved by the Owosso City Council.

V. EXTRA STRENGTH WASTEWATER SURCHARGES

Extra strength wastewater surcharges shall apply to those users of the City wastewater treatment system approved for the discharge of extra strength wastewater in accordance with Section 34-170. of the Owosso City Code. The surcharge rate shall be applied to loadings in excess of the base or normal strength loading.

EXTRA STRENGTH WASTEWATER SURCHARGE SCHEDULE

<u>PARAMETER</u>	<u>BASE</u>	<u>SURCHARGE</u>
BOD-5	220 MG/L	\$0.11/pound in excess of base
TSS	300 MG/L	\$0.17/pound in excess of base
TP	10 MG/L	\$1.50/pound in excess of base
NH3-N	20 MG/L	\$0.80/pound in excess of base

(Note: BOD-5 = Biochemical Oxygen Demand; TSS = Total Suspended Solids; TP = Total Phosphorous; NH3-N = Ammonia Nitrogen; MG/L = Milligrams per Liter)."

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

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

NAYS: None.

Notice of Intent to Issue Revenue Bonds and Right to Referendum

City Manager Henne indicated the Notice of Intent is required for the DWRf loan and marks the next step in the DWRf process. He reminded Council that the City is not obligated to borrow the maximum amount listed in the notice, they can always choose to spend less.

Motion by Councilmember Pidek to adopt the following resolution of Notice of Intent to Issue Revenue Bonds and Right to Referendum thereof for the proposed issuance of bonds to finance the 2020 DWRf projects.

RESOLUTION NO. 180-2019

**CITY OF OWOSSO
COUNTY OF SHIAWASSEE, STATE OF MICHIGAN**

**RESOLUTION AUTHORIZING
NOTICE OF INTENT TO ISSUE REVENUE BONDS**

WHEREAS, the City of Owosso, County of Shiawassee, State of Michigan (the "City") determines it to be necessary for the public health, safety and welfare of the City and its residents to acquire and construct improvements to the City's Water Supply System including, but not limited to, replacement of water mains and acquisition and construction of improvements and repairs to the water treatment plant, together with any appurtenances and attachments and any related site improvements (collectively, the "Project"); and

WHEREAS, the City anticipates it will obtain funding for the Project from the Michigan Drinking Water Revolving Fund (DWRf), a low interest loan financing program administered by the State of Michigan Department of Treasury and the Michigan Finance Authority; and

WHEREAS, in order to obtain loans from the DWRf Program, the City must issue bonds, and the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"), provides a means for financing the acquisition, construction, and improvement of public

improvements such as the Project through the issuance of bonds payable from revenues of the City's Water Supply System (the "System"); and

WHEREAS, the issuance of bonds under Act 94 payable from revenues of the System in one or more series in an aggregate amount not-to-exceed Three Million Four Hundred Ninety-Five Thousand Dollars (\$3,495,000) (the "Revenue Bonds") for the purpose of financing the Project represents the most practical means to that end, and Section 33 of Act 94 requires the City to publish a notice of intent before the City can issue the Revenue Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to publish, or cause to be published, a notice of intent to issue the Revenue Bonds in the *Argus-Press*, a newspaper of general circulation in the City. The notice of intent shall be published as a one-quarter (1/4) page display advertisement in substantially the following form:

**NOTICE TO ELECTORS OF THE CITY OF OWOSSO
AND TO USERS OF THE CITY'S WATER SUPPLY SYSTEM
OF INTENT TO ISSUE REVENUE BONDS
AND THE RIGHT OF REFERENDUM THEREON**

PLEASE TAKE NOTICE that the City Council of the City of Owosso, County of Shiawassee, State of Michigan, intends to issue and sell revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in an amount not to exceed Three Million Four Hundred Ninety-Five Thousand Dollars (\$3,495,000) for the purpose of paying costs to acquire and construct improvements to the City's Water Supply System including, but not limited to, replacement of water mains and acquisition and construction of improvements and repairs to the water treatment plant, together with any appurtenances and attachments and any related site improvements.

The Revenue Bonds may be issued in one or more series and may be combined with bonds issued for other purposes as shall be determined by the City Council. Each series of the Revenue Bonds will mature in annual installments not to exceed the maximum permitted by law, with interest on the unpaid balance from time to time remaining outstanding on said bonds to be payable at rates to be determined at sale of the Revenue Bonds but in no event to exceed such rates as may be permitted by law.

SOURCE OF PAYMENT OF REVENUE BONDS

THE PRINCIPAL OF AND INTEREST ON THE REVENUE BONDS SHALL BE PAYABLE solely from the revenues received by the City from the operations of the water supply system, except as provided below if the revenue bonds are sold to the Michigan Finance Authority. The revenues will consist of rates and charges billed to the users of the System, a schedule of which is available at www.ci.owosso.mi.us/utilities. The rates and charges may from time to time be revised to provide sufficient revenues to provide for the expenses of operating and maintaining the System, to pay the principal of and interest on the revenue bonds and other obligations of the System, and to provide reserves for these purposes.

ADDITIONAL POTENTIAL SOURCES OF PAYMENTS

The City anticipates that it will sell the revenue bonds to the Michigan Finance Authority. The Michigan Finance Authority may require the City to pledge for the payment of the revenue bonds money received or to be received by the City derived from imposition of taxes by the State and returned to the City as provided by law, except for money the use of which is prohibited for such purposes by the State Constitution. The City may enter into an agreement providing for the payment to the Michigan Finance Authority or a trustee of taxes collected by the State and returned to the City, and such funds may be pledged for the payment of the revenue bonds.

RIGHT OF REFERENDUM

THE REVENUE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A VALID PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY IS FILED WITH THE CITY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE REVENUE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS RESIDING WITHIN THE BOUNDARIES OF THE CITY VOTING THEREON. If such petition is filed and the electors of the City voting thereon approve the issuance of the revenue bonds, then the bonds may be payable from revenues or from ad valorem taxes that may be levied on all taxable property in the City without limitation as to rate or amount.

THIS NOTICE is given pursuant to the requirements of Section 33, Act 94, Public Acts of Michigan, 1933, as amended.

2. The City Council does hereby determine that the foregoing form of notice of intent to issue the Revenue Bonds, and the manner of publication directed, is adequate notice to the electors of the City and the users of the System, and is the method best calculated to give them notice of the City's intent to issue the Revenue Bonds, the purpose of the Revenue Bonds, the source of payment of the Revenue Bonds, the security for the Revenue Bonds and the electors' right of referendum, and that the provision of forty-five (45) days within which to file a referendum petition is adequate to insure that the City's electors may exercise their legal rights of referendum, and the newspaper named for publication is hereby determined to reach the largest number of persons to whom the notice is directed.

3. The City may incur expenditures for the Project prior to receipt of proceeds of the Revenue Bonds, and may advance moneys for that purpose from the funds of the water supply system to be reimbursed from proceeds of the Revenue Bonds when available.

4. The City hereby makes the following declaration of intent for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) As of the date hereof, the City reasonably expects to reimburse itself with the proceeds of debt to be incurred by the City for costs of the Project that were or will be paid subsequent to sixty (60) days prior to the date hereof.
- (b) The maximum principal amount of debt expected to be issued for the Project is \$3,495,000.
- (c) The expenditures described above are "capital expenditures" as defined in Treasury Regulation § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

5. The City requests Robert W. Baird & Co., Incorporated to serve as Loan Facilitation Agent to assist the City in preparation and planning for the sale of the Revenue Bonds.

6. The City requests Miller, Canfield, Paddock and Stone, P.L.C. ("Miller, Canfield") to continue as bond counsel to the City for the Revenue Bonds. The City recognizes that Miller, Canfield has represented from time to time, and currently represents, the Michigan Finance Authority and various underwriters, financial institutions and other potential participants in the financing process for unrelated projects, any of which might offer to purchase the Revenue Bonds. The City requests Miller, Canfield to continue as bond counsel, notwithstanding the potential concurrent representation of any such potential participant regarding any unrelated matter.

7. The Finance Director is authorized to apply to a rating agency for a credit assessment if necessary to comply with requirements to participate in the Michigan Drinking Water Revolving Fund program.

8. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate preparation of the Revenue Bonds for sale. The Revenue Bonds will be sold only after the City Council approves a resolution or ordinance authorizing issuance and sale of the Revenue Bonds.

9. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this resolution, are hereby rescinded.

Motion supported by Councilmember Law.

Roll Call Vote.

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

NAYS: None.

COMMUNICATIONS

Downtown Development Authority/Main Street. Minutes of November 6, 2019.

CITIZEN COMMENTS AND QUESTIONS

Marlene Webster, Shiawassee Hope Director and County Commissioner for District 1, indicated that Shiawassee Hope is starting its 8th year working with the Pleasant Valley Trailer Park and the organization is hosting an open house tomorrow, all are invited to attend. Changing hats, Ms. Webster indicated that County Commission meetings will be held next week with discussions on the budget being included.

Eddie Urban, 601 Glenwood Avenue, says he cannot hear the sound of running water so sometimes he ends up with a high water bill because he doesn't realize he's left a faucet on.

Tom Manke, 2910 W. M-21, said he feels it is the Water Department's job to bill the right party and the City should eat the cost of the water meter for not billing the correct people.

Councilmember Fear, volunteer for the Memorial Healthcare Foundation, encouraged everyone to eat out at a local restaurant on Giving Tuesday and contribute to the Foundation. She went on to say that she also works for the YMCA and Girls on the Run will be holding a fund raising event there tomorrow. She said there were many great organizations that people could donate to. She also thanked everyone involved in Glow Owosso saying she had family in from out of town and the event was a great time.

Mayor Eveleth noted that he and Councilmembers Haber and Law were judges for the Glow Owosso parade.

Mayor Pro-Tem Osika commented that she has been involved in Glow Owosso for a number of years now and this year the parade was bigger than ever and the crowd was great.

Mayor Eveleth noted the homemade candies his mom made and distributed to Council.

Councilmember Fear said the Christmas on Main event was great last year and she anticipated this year would be as well. She encouraged everyone to support the downtown.

NEXT MEETING

Monday, December 16, 2019

BOARDS AND COMMISSIONS OPENINGS

- Brownfield Redevelopment Authority – County Representative – term expires 06-30-2020
- Building Board of Appeals – Alternate - term expires June 30, 2022
- Building Board of Appeals – Alternate - term expires June 30, 2021
- Brownfield Redevelopment Authority – term expires June 30, 2022
- Downtown Loan Committee – Bank Representative - term expires June 30, 2021
- Historical Commission – term expires December 31, 2022
- Historical Commission – 2 terms expire December 31, 2020
- Planning Commission – term expires June 30, 2020
- Planning Commission – term expires June 30, 2022

ADJOURNMENT

Motion by Councilmember Fear for adjournment at 8:53 p.m.

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

Christopher T. Eveleth, Mayor

Amy K. Kirkland, City Clerk