

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF FEBRUARY 5, 2024
7:30 P.M.
VIRGINIA TEICH CITY COUNCIL CHAMBERS**

PRESIDING OFFICER: MAYOR ROBERT J. TEICH, JR.

OPENING PRAYER: PASTOR BRUCE NOBLE
CHURCH OF GOD 7TH DAY

PLEDGE OF ALLEGIANCE: BOY SCOUT TROOP 85

PRESENT: Mayor Robert J. Teich, Jr., Mayor Pro-Tem Susan J. Osika,
Councilmembers Jerome C. Haber, Daniel A. Law, Emily S.
Olson, and Nicholas L. Pidek.

ABSENT: Councilmember Janae L. Fear.

APPROVE AGENDA

Motion by Mayor Pro-Tem Osika to approve the agenda with the following amendment:

Removal of Consent Agenda 3. First Reading and Set Public Hearing – Rezoning 900 Ada Street

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF JANUARY 16, 2024

Motion by Councilmember Pidek to approve the Minutes of the Regular Meeting of January 16, 2024 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

Mayor Teich invited the members of Boy Scout Troop 85 to the podium to be recognized. The members are present this evening to work toward the Citizenship in the Community merit badge.

PUBLIC HEARINGS

Special Assessment District No. 2024-01 **Stewart St. from Shiawassee St. to Washington St.**

City Manager Nathan R. Henne detailed the work to be done, the estimated cost of the project, and how those costs are divided between the City and the property owners along the street.

A public hearing was conducted to receive citizen comment regarding authorization of Resolution No. 5 for Special Assessment District No. 2024-01 for Stewart Street, from Shiawassee Street to Washington Street for reconstruction.

The following people commented regarding the proposed special assessment roll:

Ainsley Ellison, 802 S. Washington Street, said her property is being assessed over \$7,500 and she rarely ever uses Stewart Street. She also said that she felt the assessment was too much given the median income of the community and that the entire project is being undertaken just to replace the water service lines and push the cost onto residents. She suggested that her assessment be reduced by 50% because she owns a corner lot and will be assessed again when Washington Street is redone. It was noted that the replacement of lead service lines is paid for 100% by the City from water system revenues and the street improvement was intentionally coordinated with the planned replacement of the watermain along that stretch.

Tom Manke, 2910 W. M-21, said he believes that Owosso is the only community in the county that charges residents for repairing the streets, that City residents are being penalized, and that the adjoining townships do not pay their share for street projects on border streets. Councilmember Law indicated that people in other communities finance their street projects through higher taxes as opposed to using the special assessment process like Owosso.

Bruce Noble, 215 Cass Street, asked if sidewalk would be added on the north side of Stewart Street and why the bid for the project came in \$200,000 higher than the estimated cost? It was noted that the estimated cost did not account for engineering costs.

Amy Bowen, 221 W. Stewart Street, submitted her objection to the amount of her assessment in writing, saying the amount was exorbitant and unfair to residents within the special assessment district as the street is well traveled. She said that many people will benefit from the project and the special assessment would cause her financial hardship.

James and Samantha Stechschulte, owners of properties at 421 and 433 W. Stewart Street, inquired via telephone why the front foot rate was different for each of their properties. It was explained that front foot rates are dependent on the zoning of the property, with commercial properties being assessed at a higher rate than residential.

There was Council discussion regarding how many times property owners can be assessed, the origin of the corner lot discount, and introducing a grace period on interest. City Manager Henne indicated that Council had the authority to amend any of those policies but cautioned them against making changes for just this project. Council indicated a desire to review the policies at a future meeting.

Whereas, the Council, after due and legal notice, has met and having heard all interested parties, motion by Mayor Pro-Tem Osika that the following resolution be adopted:

RESOLUTION NO. 06-2024
SPECIAL ASSESSMENT DISTRICT NO. 2024-01
STEWART STREET
FROM SHIAWASSEE STREET (M-52) TO WASHINGTON STREET
RESOLUTION NO. 5

WHEREAS, the City Council has met, after due and legal notice, and reviewed the special assessment roll prepared for the purpose of defraying the special assessment district's share of the following described public improvement:

**Stewart Street from Shiawassee Street (M-52) to Washington Street
Street Reconstruction**

and;

WHEREAS, all interested parties were heard and after carefully reviewing said special assessment roll the Council deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the benefits to be derived by the parcel of land assessed.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll as prepared by the City Assessor in the amount of \$227,159.47 is hereby confirmed and shall be known as Special Assessment Roll No. 2024-01.
2. Said special assessment roll shall be divided into ten (10) installments, the first of which shall be due and payable on September 1, 2024, and the subsequent installments shall be due on September 1st of each and every year thereafter. Payment of the amount of the special assessment may be made in full without interest or penalty by November 1, 2024.
3. The installments of the special assessment rolls shall bear interest at the rate of 3% per annum; provided, however, if the bonds are issued in anticipation of said special assessments, then such unpaid special assessment shall bear interest at a rate of interest equal to 1% above the average rate of interest borne by said bonds. Such interest shall commence on September 1, 2024 and shall be paid annually on each installment due date.
4. Said special assessment roll shall be placed on file in the office of the City Clerk who shall attach her 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 Pidek.

Roll Call Vote.

AYES: Councilmembers Olson, Law, Mayor Pro-Tem Osika, Councilmembers Haber, Pidek, and Mayor Teich.

NAYS: None.

ABSENT: Councilmember Fear.

CITIZEN COMMENTS AND QUESTIONS

John Gillingham, 905 N. Shiawassee Street, asked if the rezoning item removed from the agenda would be returning.

Tom Manke, 2910 W. M-21, thanked the DPW for doing a great job repairing the alley off of Oakwood Ave. He went on to comment about the partially collapsed building on Exchange Street and he asked why the City doesn't completely replace the water main on West Main since it breaks so frequently.

Public Services Director Suchanek responded to Mr. Manke's water main question. He said it wasn't the main that was leaking but the individual service lines. The DPW continues to search for the source of the stray line voltage that appears to be burning holes in the lines.

City Manager Henne responded to Mr. Gillingham's question regarding the rezoning of 900 Ada Street. The applicant no longer wishes to pursue the rezoning and may, or may not, be proceeding with a development that is strictly residential. He indicated that if the request is reinstated Mr. Gillingham would receive another notice to that effect.

There was significant Council discussion regarding the idea of changing certain policies related to special assessments and how those changes might affect the annual street program and the overall condition of the streets.

Motion by Councilmember Pidek to hold a special meeting on Monday, April 29, 2024 at 7:30 p.m. for the purpose of reviewing and discussing special assessment related policies and practices.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Councilmembers Law, Haber, Mayor Pro-Tem Osika, Councilmembers Olson, Pidek, and Mayor Teich.

NAYS: None.

ABSENT: Councilmember Fear.

CONSENT AGENDA

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

***First Reading & Set Public Hearing – Zoning Ordinance Rewrite.** Conduct first reading and set a public hearing for Monday, March 4, 2024 to receive citizen comment regarding the proposal to repeal and replace Chapter 38, Zoning, and move Chapter 26, Signs, within the new Zoning Ordinance, to update the City's Zoning Ordinance and map as follows:

RESOLUTION NO. 07-2024

**FIRST READING & SET PUBLIC HEARING
ORDINANCE AMENDMENT
TO REPEAL AND REPLACE CHAPTER 38, ZONING,
AND RELOCATE CHAPTER 26, SIGNS, WITHIN THE ZONING ORDINANCE**

WHEREAS, in an effort to attract economic development to the City of Owosso, City staff has been working toward the goal of obtaining Redevelopment Ready Communities certification; and

WHEREAS, the next step in the process involved a comprehensive review of the City's Zoning Ordinance to remove obsolete rules and procedures, streamline requirements, and regulate for the kind of development the community desires; and

WHEREAS, the City of Owosso, Shiawassee County, Michigan, Planning Commission believes a complete re-write of Chapter 38, Zoning, including an updated Zoning Map, will better address the needs of the community; and

WHEREAS, the Planning Commission held public hearings at their August 28, 2023 and November 27, 2023 regularly scheduled meetings regarding the proposal to repeal and replace the Zoning Ordinance in which no citizen comments were voiced or received; and

WHEREAS, the Planning Commission recommends the repeal and replacement of Chapter 38, Zoning, in its entirety; and

WHEREAS, they further recommend shifting the Sign Ordinance from Chapter 26, Signs, to an Article within the new Chapter 38, Zoning.

NOW THEREFORE BE IT RESOLVED, THAT THE CITY OF OWOSSO ORDAINS:

SECTION 1. REPEAL. That Chapter 38, Zoning, including the Zoning Map, is hereby repealed in its entirety.

SECTION 2. REPLACEMENT. That the new Chapter 38, Zoning, shall read as follows:

INSERT TEXT OF NEW ZONING ORDINANCE HERE

[Due to its length of over 200 pages, full text of the proposed amendment is not included in these minutes. Complete text of the proposed ordinance can be found on file in the Clerk's Office.]

SECTION 3. RELOCATE. That Chapter 26, Signs, shall be relocated to Article XX, Signs, of the new Chapter 38, Zoning, with no further changes.

SECTION 4. SEVERABILITY. The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Ordinance as a whole or any section or provision of this Ordinance other than the section or provision so declared to be unconstitutional or invalid.

SECTION 5. INCONSISTENT ORDINANCES. All ordinances or parts of ordinances inconsistent with the provisions of this Ordinance are repealed.

SECTION 6. PUBLIC HEARING. A public hearing is set for Monday, March 4, 2024 at 7:30 p.m. for the purpose of hearing citizen comment regarding the proposed ordinance amendments.

SECTION 7. AVAILABILITY. This ordinance may be purchased or inspected in the City Clerk's Office, Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

SECTION 8. EFFECTIVE DATE. This amendment shall become effective 20 days after approval.

Master Plan Implementation Goals: 4.9

First Reading and Set Public Hearing - Rezoning 900 Ada Street. (This item was removed from the agenda.)

***Recreation Service Agreement – Softball Tournaments.** Approve proposed recreation service agreement with Sandlot Sports Zone for use of Bennet Field for softball tournaments for a period expiring December 31, 2024 as follows:

RESOLUTION NO. 08-2024

**AUTHORIZING RECREATION SERVICE AGREEMENT
WITH SANDLOT SPORTS ZONE LLC
FOR USE OF BENNETT FIELD**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, and Sandlot Sports Zone LLC wish to enter into a Recreational Service Agreement for use of Bennet Field; and

WHEREAS, the City of Owosso has drafted a Recreational Service Agreement with Sandlot Sports Zone LLC for ball tournaments to be held between April 1 and October 31 for:

- Fifteen dollars per team, per tournament
- Sandlot Sports Zone LLC to dispose of any trash generated during the tournaments; and

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

FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to enter into a Recreation Services Agreement with Sandlot Sports Zone LLC for a cost to be paid to the City of Owosso of fifteen dollars per team per tournament.

SECOND: The Mayor and City Clerk are instructed and authorized to sign the document substantially in the form attached, Recreation Services Agreement between the City of Owosso, Michigan and Sandlot Sports Zone LLC for the fees and stipulations heretofore identified.

THIRD: The above revenue shall be paid to the General fund, miscellaneous revenue account 101-000-675.000

***Tentative Bid Award – 2024 Stewart Street Project.** Approve tentative bid award to Crawford Contracting, Inc. for the 2024 Stewart Street Project, a portion of which is a 2024 DWSRF project, in the amount of \$1,814,713.52, contingent upon receipt of DWSRF bond proceeds, and further approve payment up to the contract amount upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 09-2024

**AUTHORIZING TENTATIVE BID AWARD TO
CRAWFORD CONTRACTING, INC. FOR THE
2024 STEWART STREET PROJECT
WATER SYSTEM IMPROVEMENTS**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, wishes to construct improvements to its existing water distribution system along Stewart Street; and

WHEREAS, the water system improvements project formally adopted on April 15, 2019 and amended on June 6, 2022 and May 15, 2023 will be funded through the State of Michigan's Drinking Water State Revolving Fund (DWSRF) program; and

WHEREAS, the City of Owosso has sought and received construction bids for the proposed improvements and has received a low bid in the amount of \$1,814,713.52 from Crawford Contracting, Inc with \$477,233.65 being funded by DWSRF funds, \$952,479.87 being funded by City major street funds, and \$385,000.00 being funded by a small urban grant; and

WHEREAS, the City of Owosso's Director of Public Services & Utilities, Ryan E. Suchanek, has recommended awarding the contract, via MDOT, to the low responsive bidder.

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

- FIRST: the City of Owosso tentatively awards the contract, via MDOT, for the proposed 2024 Stewart Street Project to Crawford Contracting, Inc, contingent upon successful financial arrangements with the Drinking Water State Revolving Fund Program.
- SECOND: upon receipt of the 2024 DWSRF bond/loan proceeds, the Mayor and City Clerk are hereby authorized and instructed to sign, without further Council action, the MDOT contract for the 2024 Stewart Street Project.
- THIRD: the accounts payable department is authorized to submit payment to Crawford Contracting, Inc in the amount of \$1,814,713.52 upon satisfactory completion of the project or portion thereof.
- FOURTH: the above expenses shall be paid for from the City Major Streets fund, 2024 DWSRF bond funds, and an MDOT Small Urban Grant.

Master Plan Implementation Goals: 3.4, 3.7, 3.10

***MDOT Cost Sharing Agreement – Safe Routes to School.** Approve cost sharing agreement with the Michigan Department of Transportation for the Safe Routes to School Project in the amount of \$87,991.00 and further approve payment up to the contract amount upon presentation of an approved invoice(s) as follows:

RESOLUTION NO. 10-2024

**AUTHORIZING EXECUTION OF MDOT COST AGREEMENT FOR
THE SAFE ROUTES TO SCHOOL PROJECT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has determined that building infrastructure to enable and encourage children to safely walk and bike to school are important to the community as a whole; and

WHEREAS, the City of Owosso, in partnership with Owosso Public Schools, has applied for, and is now approved to receive, a Federal Safe Routes to School grant to assist in constructing certain infrastructure projects throughout the City to enable and encourage children to safely walk and bike to school; and

WHEREAS, after review, City staff recommends approval of MDOT Cost Agreement No. 23-5550 for the proposed pedestrian improvements along West Oliver Street from North Chipman Street to Ada Street, along Hickory Street at King Street and Hickory Street at North Street, including staircase removal, concrete sidewalk and curb ramp improvements and permanent pavement markings; concrete sidewalk and curb ramp construction along Ada Street from Campbell Drive to Jennett Street and along North Street from Hickory Street to Gould Street, along Whitehaven Court from North Street to Stevens Drive, along Rubelman Drive from Summit Street to North Street, along Krust Drive from North Street to Stevens Drive, and along Stevens Drive from Rubelman Drive to approximately 130 feet west of Whitehaven Court; and all together with necessary related work. (also referred to as 'project'); and

WHEREAS, the Michigan Department of Transportation requires the City of Owosso adopt a resolution indicating its willingness to participate in the pedestrian improvements as set forth in the agreement.

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 MDOT Contract No. 23-5550 for the proposed pedestrian improvements as part of the Safe Routes to School project.
- SECOND: the City of Owosso is willing to participate in the project and cost as illustrated within said contract.
- THIRD: the Mayor and City Clerk are hereby authorized to sign the Agreement as attached.
- FOURTH: the City Council hereby directs staff to allocate \$87,991.00 from the Major Street Fund (\$43,995.50) and the Local Street Fund (\$43,995.50), and other funds as appropriate, and to receive another \$622,009.00 from Federal Safe Routes to School Funds for a total of \$710,000.00 to fund this project and directs the City Manager to proceed with the project, in accordance with the MDOT Contract Agreement.

Master Plan Implementation Goals: 5.2, 5.7, 5.21, 5.27

***Check Register – December 2023.** Affirm check disbursements totaling \$4,398,952.37 for January, 2024.

Motion supported by Councilmember Law.

Roll Call Vote.

- AYES: Councilmembers Haber, Law, Mayor Pro-Tem Osika, Councilmembers Olson, Pidek, and Mayor Teich.
- NAYS: None.
- ABSENT: Councilmember Fear.

ITEMS OF BUSINESS

***Capital Improvement Plan Adoption**

City Manager Henne briefly listed the larger projects that make up a sizeable portion of the latest six-year CIP plan, estimated at \$215,000,000. He reminded Council that the CIP is strictly a planning document and not a commitment of funds. Project descriptions and detailed estimates of each individual project are available for those that are interested.

Motion by Councilmember Pidek to approve the following resolution adopting the 2024-2030 Capital Improvement Plan as recommended by the Planning Commission:

RESOLUTION NO. 11-2024

RESOLUTION APPROVING THE SIX-YEAR CAPITAL IMPROVEMENT PLAN FOR 2024-30

WHEREAS, the City of Owosso, Shiawassee County, Michigan, Planning Commission has recommended Council approval of the 2024 to 2030 six-year Capital Improvement Plan (CIP); and

WHEREAS, the City of Owosso is required by the MEDC Redevelopment Ready Communities program to approve a six-year CIP annually; and

WHEREAS, the six-year CIP is a valuable resource to plan projects and expenses city-wide.

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

FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to approve the 2024 to 2030 Capital Improvement Plan as recommended by the City of Owosso Planning Commission.

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Olson, Law, Haber, Pidek, and Mayor Teich.

NAYS: None.

ABSENT: Councilmember Fear.

Master Plan Implementation Goals: 3.2, 3.4, 3.6, 3.8, 3.10, 3.11, 3.13

Closed Session

Motion by Mayor Pro-Tem Osika to approve holding closed session at the conclusion of the second session of Citizen Comments and Questions for the purpose of consulting with an attorney regarding trial or settlement strategy in connection with specific pending litigation.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Councilmember Pidek, Mayor Pro-Tem Osika, Councilmembers Law, Olson, Haber, and Mayor Teich.

NAYS: None.

ABSENT: Councilmember Fear.

COMMUNICATIONS

Nathan R. Henne, City Manager. U of M Dearborn ECities Business Recognition.
Tanya S. Buckelew, Planning & Building Director. 2023 Planning Commission Annual Report.
Brad A. Barrett, Finance Director. Revenue & Expenditure Report – December 2023.
Historical Commission. Minutes of January 8, 2024.
Planning Commission. Minutes of January 22, 2024.
WWTP Review Board. Minutes of January 23, 2024.
Parks & Recreation Commission. Minutes of January 24, 2024.

CITIZEN COMMENTS AND QUESTIONS

Bill Moull, 1335 W. North Street, thanked the Council for all they do for the community and encouraged others to pray for Council because its not an easy job.

Jeff Turner, 204 Oakwood Avenue, said he doesn't understand why Council went into closed session at the last meeting if all they were going to do was adjourn the meeting once they returned to open session.

ADJOURNED TO CLOSED SESSION AT 8:51 P.M.

RETURNED FROM CLOSED SESSION AT 9:02 P.M.

APPROVAL OF THE MINUTES OF CLOSED SESSION OF JANUARY 16, 2024

Motion by Councilmember Law to approve the Minutes of the Regular Meeting of January 16, 2024 as presented.

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

***INSURANCE SETTLEMENT**

Motion by Councilmember Law to approve settlement of the insurance claim and pending lawsuit as proposed by the City’s insurance carrier MMRMA.

Motion supported by Councilmember Haber.

Roll Call Vote.

AYES: Councilmember Pidek, Mayor Pro-Tem Osika, Councilmembers Haber, Olson, Law, and Mayor Teich.

NAYS: None.

ABSENT: Councilmember Fear.

NEXT MEETING

Tuesday, February 20, 2024

BOARDS AND COMMISSIONS OPENINGS

- Building Board of Appeals – Alternate - term expires June 30, 2024
- Building Board of Appeals – Alternate - term expires June 30, 2025
- Zoning Board of Appeals – Alternate – term expires June 30, 2024
- Zoning Board of Appeals – Alternate – term expires June 30, 2025

ADJOURNMENT

Motion by Councilmember Olson for adjournment at 9:04 p.m.

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

Robert J. Teich, Jr., 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.