

**OWOSSO CITY COUNCIL
REGULAR MEETING**

JUNE 15, 2015

7:30 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

OPENING PRAYER: PASTORAL ASSOCIATE ED HORSKI
ST PAUL CATHOLIC CHURCH

PLEDGE OF ALLEGIANCE: MAYOR BENJAMIN FREDERICK

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Christopher T. Eveleth, Councilpersons Burton D. Fox, Elaine M. Greenway and Robert J. Teich, Jr.

ABSENT: Councilpersons Loreen F. Bailey and David B. Bandkau.

APPROVE AGENDA

Motion by Mayor Pro-Tem Eveleth to approve the agenda with the following changes:

Move the following Consent Items to Items of Business per the request of Councilperson Fox.

1. 2015-16 Water & Sewer Rates (Becomes Item of Business No. 5).
2. Lease Agreement – Vactor Truck (Becomes Item of Business No. 6)

Add the following Item of Business to the agenda:

7. Bandkau Resignation. Consider acceptance of Councilperson Bandkau's letter of resignation and discuss the process to appoint a new member to fill the vacancy.

Motion supported by Councilperson Fox and concurred in by unanimous vote.

APPROVAL OF THE MINUTES OF REGULAR MEETING OF JUNE 1, 2015

Motion by Mayor Pro-Tem Eveleth to approve the Minutes of the Regular Meeting of June 1, 2015 as presented.

Motion supported by Councilperson Fox and concurred in by unanimous vote.

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

Rezoning Request – 200 block of South Shiawassee Street

A public hearing was held to receive citizen comment regarding request to rezone the 7 parcels bound by Clinton, Shiawassee, Genesee, and Elm Streets, from I-1 Light Industrial District to B-1 Local Business District.

There were no citizen comments.

Whereas, the Council, after due and legal notice, has met and there being no one to be heard, motion by Councilperson Eveleth that the following ordinance amendment be adopted:

ORDINANCE NO. 767

**AN ORDINANCE AMENDING CHAPTER 38 ZONING OF THE CODE OF ORDINANCES
TO REZONE PARCELS OF REAL PROPERTY ALONG SOUTH SHIAWASSEE STREET
AND AMEND THE ZONING MAP**

WHEREAS, the city of Owosso received a petition from Midwest V, LLC on behalf of the owner of real property identified as Lots 1-4 AL & BO WILLIAMS ADDITION, to rezone the parcels from I-1 Light Industrial District to B-1 Local Business District; and

WHEREAS, the Planning Commission published and mailed notices for the request, held a public hearing on the request, and deliberated on the request; and

WHEREAS, the Planning Commission recognizes the value in rezoning the seven (7) parcels along South Shiawassee Street for economic development and growth; and

WHEREAS, the Planning Commission finds that the proposed rezoning meets the intent and criteria for a zoning amendment as it relates to the master plan and the zoning ordinance; and

WHEREAS, the City staff and Planning Commission recommend, without reservations or conditions, the rezoning of the following parcels:

Parcel Address	Current Zoning	Amended Zoning
202 S. Shiawassee	I-1	B-1
206 S. Shiawassee	I-1	B-1
210 S. Shiawassee	I-1	B-1
214 S. Shiawassee	I-1	B-1
511 Clinton	I-1	B-1
502 Genesee	I-1	B-1
508 Genesee	I-1	B-1

and

WHEREAS, the City Council held a public hearing June 15, 2015 and deliberated on the request; and

WHEREAS, the City Council finds that the zoning petition meets the intent and criteria for a zoning map amendment, specifically as it relates to the requirements of Section 38-555.

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

SECTION 1. OFFICIAL ZONING MAP AMENDMENT. That Chapter 38, Zoning, Sec. 38-27, Zoning Districts and Map, reflect the following change, to be noted on the official map and filed with the city clerk:

Parcel Address	Parcel Number	Current Zoning	Amended Zoning
202 S. Shiawassee	050-660-021-001-00	I-1	B-1
206 S. Shiawassee	050-660-021-003-00	I-1	B-1
210 S. Shiawassee	050-660-021-004-00	I-1	B-1
214 S. Shiawassee	050-660-021-005-00	I-1	B-1
511 Clinton	050-660-021-002-00	I-1	B-1
502 Genesee	050-660-021-006-00	I-1	B-1
508 Genesee	050-660-021-007-00	I-1	B-1

SECTION 2. 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 3. EFFECTIVE DATE. This amendment shall become effective July 7, 2015.

Motion supported by councilperson Greenway

Roll Call Vote.

AYES: Councilperson Teich, Mayor Pro-Tem Eveleth, Councilperson Greenway, and Mayor Frederick.

NAYS: None.

ABSENT: Councilpersons Bailey and Bandkau.

Ordinance Amendment – I-2 General Industrial Zoning District

A public hearing was conducted to receive citizen comment regarding the proposed amendment to Section 38-312, Principal uses permitted, of Article XIV, I-2 General Industrial Districts, Chapter 38, Zoning, of the Code of Ordinances of the City of Owosso to better reflect the current land use and impose limitations on certain uses by requiring a special use permit.

There were no citizen comments.

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

ORDINANCE NO. 768

**AMENDING SECTION 38-312, PRINCIPAL USES PERMITTED,
OF THE OWOSSO CITY ZONING CODE REGARDING
I-2 GENERAL INDUSTRIAL ZONING**

WHEREAS, the City of Owosso Zoning Code Section 38-312, *Principle uses permitted*, outlines specific uses allowed in the I-2, General Industrial District, zoning designation; and

WHEREAS, the uses permitted within the I-2 zoning district need modification to meet current use needs while imposing stricter limitations on certain types of land use by requiring a special use permit; and

WHEREAS, the Planning Commission worked diligently to revise said language and recommends approval of the amendment as proposed; and

WHEREAS, the City Council held a public hearing on June 15, 2015 to receive comment from any and all interested parties and deliberated on the proposed amendment.

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

SECTION 1. AMENDMENT. That existing Section 38-312, Principal uses permitted, of the Owosso City Code be amended to read:

Sec. 38-312. - Principal uses permitted.

In an I-2 district, no building or land shall be used and no building shall be erected except for one (1) or more of the following specified uses unless otherwise provided in this chapter:

- (1) Any principal use first permitted in an I-1 district;
- (2) Onsite heating and electric power generating plants using conventional fuels or renewable resources;
- (3) Gasoline or petroleum storage;
- (4) Railroad yards;
- (5) Any of the following production or manufacturing uses (not including storage of finished products) provided that they are located not less than eight hundred (800) feet distant from any residential district and not less than three hundred (300) feet distant from any other district:
 - a. Junkyards, provided such are entirely enclosed within a building or within an eight (8) foot obscuring wall and provided further that one property line abuts a railroad right-of-way.
- (6) Foundry operations within a closed building.
- (7) Any other use which shall be determined by the council after recommendation from the planning commission, to be of the same general character as the above permitted uses in this section. The council may impose any required setbacks and/or performance standards so as to insure public health, safety and general welfare;
- (8) Accessory buildings and uses customarily incident to any of the above permitted uses.

Additional uses allowed by special use permit:

- (1) Grain elevators;
- (2) Any of the following production or manufacturing uses (not including storage of finished products) provided that they are located not less than eight hundred (800) feet distant from any residential district and not less than three hundred (300) feet distant from any other district:
 - a. Incineration of garbage or refuse when conducted within an approved and enclosed incinerator plant;
 - b. Blast furnace, steel furnace, blooming or rolling mill;
 - c. Manufacture of corrosive acid or alkali, cement, lime, gypsum or plaster of Paris;
 - d. Petroleum or other inflammable liquids, production or refining;
 - e. Smelting of copper, iron or zinc ore;

SECTION 2. 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 3. INCONSISTENT ORDINANCES. All ordinances or parts of ordinances inconsistent with the provisions of this Ordinance are repealed.

SECTION 4. 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 5. EFFECTIVE DATE. This amendment shall become effective July 7, 2015.

Motion supported by Mayor Pro-Tem Eveleth.

Roll Call Vote.

AYES: Councilperson Teich, Mayor Pro-Tem Eveleth, Councilperson Greenway, and Mayor Frederick.

NAYS: None.

ABSENT: Councilpersons Bailey and Bandkau.

CITIZEN COMMENTS AND QUESTIONS

Ed Urban, 601 Glenwood Street, said he was going mow the lawn at Monroe & Lincoln Streets but the city had come through and mowed their strip. It made it look much nicer. He also asked for clarification of the difference between a local street and a minor collector.

Ann Trierweiler, 402 West Main Street, Elsie, said she was visiting her sister on Sunday, May 3rd. Somebody was burning and it was a large fire you could see it over the 6 foot fence. She called 911 and reported the fire but after checking there wasn't any burning violation reported. She could not understand why that wouldn't have been a burning violation.

Shelva Cebulski, 1243 West Marion Street is against burning she wants it to stop except for campfires. She said burning in her neighborhood has decreased slightly. She believes that complaining about your neighbor burning, pits neighbor against neighbor.

Lisa Stechschulte, 724 River Street commented about the burning in the city. She also shared several stories of people that had died of cancer. She stated she feels she is a hostage in her own home because she goes outside if someone is burning she has to turn around and come back in because she can't breathe. She stated people shouldn't be allowed to burn 7 days a week. She also shared her concern about people not being able to afford the increase in the water rates.

CITY MANAGER REPORT

City Manager Crawford handed out a financial report which ties into the budget amendment that is on the agenda. He also reported the survey, that will determine income levels in certain parts of the city, has been mailed out. This survey will allow for various funding opportunities. Not all residents will receive surveys.

CONSENT AGENDA

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

Bid Award – Lime Residuals Removal/ReUse. Waive competitive bidding requirements and authorize purchase order with Zmitko Farms Feed & Grain, LLC for the removal/re-use of Water Treatment Plant lime residuals at \$10.00 per cubic yard with a total contract amount not to exceed \$50,000.00.

RESOLUTION NO. 51-2015

**WAVING BID REQUIREMENT AND AWARD CONTRACT
TO ZMITKO FARMS FEED & GRAIN, LLC
FOR REMOVAL OF LIME RESIDUAL MATERIAL AT THE WATER TREATMENT PLANT**

WHEREAS, the city has determined it necessary remove lime residual material at its water treatment plant lagoons to gain lagoon capacity; and

WHEREAS, the city reached an agreement with Zmitko Farms Feed & Grain, LLC to remove approximately 5,000 cubic yards at a cost of \$10.00 per yard; and

WHEREAS, the proposed cost is within the current water fund budget.

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 waive competitive bid procedures and have Zmitko Farms Feed & Grain, LLC remove approximately 5,000 cubic yards of lime residuals at a cost of \$10.00 per yard.

SECOND: The contract shall be in the form of a city purchase order with Zmitko Farms Feed & Grain, LLC as billed and certified correct by the city utilities director for the period of January 1, 2015 through July 31, 2015 up to but not exceeding \$50,000.

THIRD: The above expense shall be paid from the Water Fund.

Bid Award – Ferric Chloride. Accept low bid from PVS Technologies, Inc. for Ferric Chloride in the amount of \$.565 per pound of iron, with an estimated annual contract of \$40,680.00, and authorize payment based on the bid unit prices for actual quantities required for the fiscal year ending June 30, 2016.

RESOLUTION NO. 52-2015

**RESOLUTION AUTHORIZING THE EXECUTION
OF A PURCHASE ORDER FOR
FERRIC CHLORIDE FOR WATER TREATMENT FOR FY 2015/16
WITH PVS TECHNOLOGIES INC.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, requires ferric chloride (iron) in bulk deliveries for use in treating municipal wastewater; and

WHEREAS, the City of Owosso sought bids for ferric chloride; a bid was received from PVS Technologies Inc.; and it is hereby determined that PVS Technologies Inc. is qualified to provide such product and that it has submitted the lowest responsible and responsive bid.

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 purchase ferric chloride from PVS Technologies Inc. in the amount of \$0.565 per pound of iron for the city fiscal year 2015/2016 with an estimated total amount for the year of \$40,680.

SECOND: The purchase agreement between the City and PVS Technologies Inc. shall be in the form of a City Purchase Order and bid documents.

THIRD: The above expenses shall be paid from the Wastewater Fund following delivery.

Bid Award – Sodium Hypochlorite. Accept low bid from Jones Chemical, Inc. for bulk Sodium Hypochlorite in the amount of \$.67 per gallon plus \$85 per truck load for split delivery with an estimated annual contract of \$7,200.00 and authorize payment based on the bid unit prices for actual quantities required for the fiscal year ending June 30, 2016.

RESOLUTION NO. 53-2015

**RESOLUTION AUTHORIZING THE EXECUTION
OF A PURCHASE ORDER FOR
BULK CHLORINE SOLUTION FOR WATER TREATMENT
FOR FY 2015/16
WITH JONES CHEMICAL INC.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, requires sodium hypochlorite (chlorine solution) in bulk deliveries for use in treating municipal drinking water and wastewater; and

WHEREAS, the City of Owosso sought bids for bulk chlorine solution (sodium hypochlorite); a bid was received from Jones Chemical Inc.; and it is hereby determined that Jones Chemical Inc. is qualified to provide such product and that it has submitted the lowest responsible and responsive bid;

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 purchase bulk chlorine solution from Jones Chemical Inc. in the amount of \$0.69 per gallon of solution plus \$85 per truckload for split delivery for the city fiscal year 2015/2016 with an estimated total amount for the year of \$37,200.

SECOND: The purchase agreement between the City and Jones Chemical Inc. shall be in the form of a City Purchase Order and bid documents.

THIRD: The above expenses shall be paid from the Water and Wastewater Funds following delivery.

Bid Rejection - Quicklime. Reject the single bid received for Quicklime due to the fact that regular bidders did not receive notice of the bid and repeat the bidding process.

RESOLUTION NO. 54-2015

**RESOLUTION AUTHORIZING THE REJECTION OF BIDS AND
REBIDDING FOR QUICKLIME FOR WATER TREATMENT
FOR FY 2015/16**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, requires quicklime in bulk deliveries for use in treating municipal drinking water; and

WHEREAS, the City of Owosso sought bids for quicklime for the upcoming fiscal year beginning July 1, 2015; but only a single bid was received and there was a deficiency in the bid request process;

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

- FIRST: The current bid(s) be rejected.
- SECOND: Staff is directed to re-bid for this item assuring that all potential bidders are notified of the bid request.
- THIRD: The current contract with Graymont Western Lime, Inc. be extended for one month until new bids are received and a new contract awarded.

Warrant No. 504. Authorize Warrant No. 504 as follows:

Vendor	Description	Fund	Amount
Logicalis, Inc.	Network engineering support- May 2015	Various	\$10,976.00
William C. Brown, P.C.	Professional services- May 11, 2015 – June 8, 2015	General	\$10,762.96

***Check Register - May 2015.** Affirm check disbursements totaling \$ 634,759.45 for the month of May 2015.

Motion supported by councilperson Teich.

Roll Call Vote.

AYES: Councilperson Greenway, Mayor Pro-Tem Eveleth, Councilperson Fox, Teich, and Mayor Frederick.

NAYS: None.

ABSENT: Councilpersons Bailey and Bandkau.

ITEMS OF BUSINESS

Property Sale – 1509 W. Oliver Street

Motion by Mayor Pro-Tem Eveleth to approve the sale of the property known as 1509 West Oliver Street to Cargill, Incorporated in the amount of \$70,736.60 as follows:

RESOLUTION NO. 55-2015

**AUTHORIZING THE SALE OF CITY-OWNED PROPERTY
AT 1509 WEST OLIVER STREET**

WHEREAS, the city owns a vacant industrial-zoned 19.118 acre parcel commonly known as 1509 West Oliver Street and described as follows:

PART OF S W 1/4 & PART OF SE FR 1/4 SEC 14 T7N R2E BEG AT CEN POST, TH S 1*32 1/2' W 33', TH E 418.73', TH S 42*07' E 1066.59', TH N 48*30' E 34.45', TH S 43*23' E 177.7' TH S 46*45' E 180', TH S47*52'47"W 52.92', TH S47*07'00"E 146.16', TH ON A CURVE TO THE LEFT HAVING A RADIUS OF 245', A DELTA ANGLE OF 38*22'13" AND A CHORD BEARING AND DISTANCE OF S61*18'07"E 161.02', TH ON A CURVE TO THE LEFT HAVING A RADIUS OF 245', A DELTA ANGLE OF 09*29'47" AND A CHORD BEARING DISTANCE OF S85*14'07"E 40.56', TH S89*59'00"E 154.05', TH ON A CURVE TO THE RIGHT HAVING A RADIUS OF 305.00, A DELTA ANGLE OF 36*33'20" AND A CHORD BEARING AND DISTANCE OF S71*42'20"E 191.31' TO THE EAST AND WEST 1/8

LINE IN THE SE 1/4 OF SAID SEC 14, TH N 89*59' W ALG 1/8 LN 1026.59' TO NE LN OF AARR R/W, TH N40*33 1/2 W ALONG SAID R/W LN TO N-S 1/4 LN, TH N TO BEG. (EX EASMT FOR POWER LNS CON POWER CO.

and

SEC 14, T7N, R2E ALL THAT PART OF THE SW ¼ OF SEC 14 LYING NE'LY OF AARR R/WY; and

WHEREAS, the city is not currently utilizing the land and desires to sell the land for industrial purposes and an offer has been received and a contract prepared for sale of the property; and

WHEREAS, the value of the land in question has been determined according to the city's Property Sale Policy; and

WHEREAS, Cargill, Incorporated approached the City offering to purchase the property, as evidenced by the attached partially executed purchase agreement; and

WHEREAS, on May 18, 2015 the City Council approved a 21-day posting period to the receive citizen comment and competitive offers for the property; and

WHEREAS, no offers were received within the given time.

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

FIRST: The property be sold to Cargill, Incorporated for the price of \$3,700 per acre, for a total of \$70,736.60, in accordance with the terms included in the purchase agreement.

SECOND: The Mayor and City Clerk are instructed and authorized to execute appropriate documents to execute the sale.

Motion supported by Councilperson Teich.

Roll Call Vote.

AYES: Councilpersons Teich, Fox, Greenway, Mayor Pro-Tem Eveleth, and Mayor Frederick.

NAYS: None.

ABSENT: Councilpersons Bailey and Bandkau.

Monroe Street – NFC System Classification Change

Motion by Mayor Pro-Tem Eveleth to authorize the following resolution revising the NFC classification for Monroe Street from Woodlawn Avenue to Gould Street as follows:

RESOLUTION NO. 56-2015

**AUTHORIZING REVISION TO THE STATEWIDE NFC SYSTEM
FOR MONROE STREET FROM WOODLAWN AVENUE TO GOULD STREET**

WHEREAS, streets within the City of Owosso, Shiawassee County, Michigan, are classified according to two separate systems, one being the National Functional Classification (NFC) System; and

WHEREAS, the NFC system identifies the particular function of a roadway within the greater network of streets and these designations determine which streets may be eligible for federal assistance; and

WHEREAS, the City of Owosso is proposing a change in the NFC street classification of Monroe Street, from Woodlawn Avenue to Gould Street, from a local street to a minor collector, bringing this section in line with other portions of Monroe Street; and

WHEREAS, the request for change must be submitted to the Michigan Department of Transportation, with final approval shall be made by the Federal Highway Administration (FHWA).

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 proceed with the proposed change in street classification.

SECOND: That the City of Owosso submit appropriate documents seeking FHWA approval to change the street classification of Monroe Street, between Woodlawn Avenue and Gould Street, from Local to Minor Collector within the statewide NFC system of roads in Michigan.

THIRD: That the Mayor and Public Act 51 Street Administrator are authorized to sign the application documents and submit the application and corresponding documents to MDOT for processing.

Motion supported by Councilperson Fox.

Roll Call Vote.

AYES: Councilpersons Teich, Fox, Greenway, Mayor Pro-Tem Eveleth, and Mayor Frederick.

NAYS: None.

ABSENT: Councilpersons Bailey and Bandkau.

Cat Care Organization

Motion by Councilperson Eveleth to authorize a resolution naming Community Cats as a “cat care organization” noted in the City’s Trap-Neuter-Release Program Ordinance.

RESOLUTION NO. 57-2015

RESOLUTION NAMING THE CAT CARE ORGANIZATION FOR THE FERAL/STRAY CAT TRAP-NEUTER-RETURN PROGRAM

WHEREAS the City of Owosso has adopted an ordinance for a feral/stray cat trap-neuter-return program; and

WHEREAS it is beneficial to the City of Owosso to recognize a cat care organization as defined by Owosso City Code Section 5-40 et seq.

NOW, THEREFORE, BE IT RESOLVED THAT the Community Cats of Owosso organization is recognized by the City of Owosso as a cat care organization with the responsibility stated in Owosso City Code Section 5-40 et seq.

BE IT FURTHER RESOLVED THAT Lori Bailey shall be the contact person for said organization.

Motion supported by Councilperson Greenway.

Roll Call Vote.

AYES: Councilpersons Greenway, Teich, Mayor Pro-Tem Eveleth, Councilperson Fox and Mayor Frederick.

NAYS: None.

ABSENT: Councilpersons Bailey and Bandkau.

2014-15 Adopt City Budget Amendment

Motion by Mayor Pro-Tem Eveleth to adopt the following resolution amending the 2014-2015 budget incorporating adjustments made during the fiscal year.

RESOLUTION NO. 58-2015

RESOLUTION AMENDING THE 2014-15 ADOPTED BUDGET

WHEREAS, pursuant to Chapter 8, Section 5 of the Owosso City Charter and the Uniform Budgeting and Accounting Act, the City Council adopted on May 19, 2014 a budget for the fiscal year beginning on July 1, 2014; and

WHEREAS, the operating budget for fiscal year 2014-15 was adopted at the fund level, authorizing administrators managerial control of line item and activity level; and

WHEREAS, amendments made throughout the year by management and actions taken by City Council are hereby ratified, presented comprehensively, and incorporated with the original 2014-15 adopted budget for comparison and further presentment in the City’s general purpose financial statements for which budget data is required.

NOW THEREFORE, BE IT RESOLVED, that the City Council has received the 2014-15 final amended budget documents attached hereto and made part hereof reflecting a balanced budget and authorizes the City Clerk to include in the official minutes.

FUND	2013-14 ACTUAL	2014-15 ORIGINAL	2014-15 AMENDED	2015-16 ADOPTED
GENERAL FUND	6,706,319	6,873,325	7,111,200	6,833,200
MAJOR STREET FUND	1,144,748	1,611,450	1,069,650	860,550
LOCAL STREET FUND	787,786	597,450	781,775	542,575
CDBG REVOLVING LOAN FUND	68,645	20,000	25,475	35,250
HOUSING & REDEVELOPMENT	74,483	398,700	44,150	230,650
OBRA FUND-DISTRICT#3:CONAGRA	1,897	10,900	14,875	12,350
OBRA FUND-DISTRICT#8:SUGARBEET	0	0	6,975	6,500
OBRA FUND-DISTRICT#9:ROBBIN'S LOFT	2,290	2,500	2,800	2,225
OBRA FUND-DISTRICT#11:CAPITOL BOWL	8,695	7,975	13,275	9,525
OBRA FUND-DISTRICT#12:WOODARD LOFT	31,497	28,950	39,950	37,725
OBRA FUND-DISTRICT#13:WESENER BLDG	0	550	550	775
DOWNTOWN DEVELOPMENT AUTHORITY	0	177,000	194,400	177,225
HISTORICAL FUND	70,901	106,075	109,225	68,200
DEBT SERVICE-2010 GO BONDS	57,568	57,150	57,150	56,650
2013 UTGO	250	70,800	70,400	62,850
2009 LTGO DEBT	75,295	74,150	74,150	77,800
CAPITAL PROJECTS-2011 STREET PROGRAM	316,536	235,675	106,300	37,600
CAPITAL PROJECTS-BUILDING AUTH	30,528	0	150	0
DDA CONSTRUCTION FUND	115,757	1,068,250	13,900	0
TRANSPORTATION FUND	75,332	65,450	65,450	76,100
SEWER FUND	1,370,790	0	1,426,595	1,700,000
WATER FUND	2,059,890	0	2,423,523	3,486,000
WASTEWATER FUND	1,699,194	2,099,000	1,734,557	2,048,000
FLEET MAINTENANCE FUND	402,533	934,550	962,475	758,475

Motion supported by Councilperson Teich.

Roll Call Vote.

AYES: Mayor Pro-Tem Eveleth, Councilpersons Teich, Greenway, Fox, and Mayor Frederick.

NAYS: None.

ABSENT: Councilpersons Bailey and Bandkau.

2015-16 Water & Sewer Rates

Councilperson Fox pulled this from the consent agenda saying he was concerned about the sewer rates in the summer because people water their lawns and this water does not go down the sewer. He feels this is not fair to residents. Mayor Pro-Tem Eveleth asked why the increase was on the agenda because it had already been approved by council. Council members agreed and stated maybe a discussion in the future regarding this is necessary.

Then Councilperson Eveleth made a motion to approve the proposed water and sewer rates for the 2015-16 fiscal year as follows:

RESOLUTION NO. 59-2015

**WATER AND SEWER RATE SCHEDULE
FOR THE CITY FISCAL YEAR BEGINNING JULY 1, 2015**

"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 following rate schedule for water and sewer service shall be in effect for the City fiscal year beginning July 1, 2015 and continuing thereafter until modified or replaced by further Council action. Bills issued with a nominal bill date of June 30, 2015 covering the quarter from April to June 2014 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.”

CITY OF OWOSSO
WATER AND SEWER RATE SCHEDULE
FOR THE CITY FISCAL YEAR BEGINNING JULY 1, 2015

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 \$1.80 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 \$3.60 per meter unit plus Out-of-town Water Demand Charge from Table below.

QUARTERLY SEWER SERVICE CHARGE:

Sewer Usage Charge of \$2.20 per unit plus Sewer Demand Charge from Table below.

For residential customers without metered water service, the quarterly sewer charge shall be \$78.80 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"	\$ 32.00	\$ 12.00	\$ 26.00	\$ 70.00	\$ 64.00
3/4"	\$ 48.00	\$ 18.00	\$ 39.00	\$ 105.00	\$ 96.00
1"	\$ 80.00	\$ 30.00	\$ 65.00	\$ 175.00	\$ 160.00
1.5"	\$ 160.00	\$ 60.00	\$ 130.00	\$ 350.00	\$ 320.00
2"	\$ 256.00	\$ 96.00	\$ 208.00	\$ 560.00	\$ 512.00
3"	\$ 480.00	\$ 180.00	\$ 390.00	\$ 1,050.00	\$ 960.00
4"	\$ 800.00	\$ 300.00	\$ 650.00	\$ 1,750.00	\$ 1,600.00
6"	\$ 1,600.00	\$ 600.00	\$ 1,300.00	\$ 3,500.00	\$ 3,200.00

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 equivalent to a 3/4" 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

Sprinkler Service <u>Riser Size</u>	Quarterly Water Charge		<u>Out-of-Town DEMAND</u>
	<u>In-Town DEMAND</u>	<u>CAPITAL</u>	
4 inch	\$ 48.00	\$ 18.00	\$ 96.00
6 inch	\$ 80.00	\$ 30.00	\$ 160.00
8 inch	\$ 160.00	\$ 60.00	\$ 320.00
10 inch	\$ 256.00	\$ 96.00	\$ 512.00

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 \$155.

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 fire fighting).

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 Councilperson Teich.

Roll Call Vote.

AYES: Councilpersons Greenway, Teich, Mayor Pro-Tem Eveleth and Mayor Frederick.

NAYS: Councilperson Fox.

ABSENT: Councilpersons Bailey and Bandkau.

Lease Agreement – Vector Truck

Councilperson Fox asked this item be pulled from the consent agenda to get some clarification. After the discussion Councilperson Fox made a motion to approve the lease agreement for Vector Truck as follows:

RESOLUTION NO. 60-2015

**AUTHORIZING 5-YEAR CAPITAL LEASE AGREEMENT WITH
US BANK CORPORATION
FOR A 2015 VACTOR MODEL 2115 COMBINATION SEWER CLEANING MACHINE
AT \$68,095.97 ANNUALLY**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, maintains extensive sanitary and storm sewer systems which require ongoing cleaning and maintenance; and

WHEREAS, on May 4, 2015 the City Council authorized the purchase of a 2015 Vactor Model 2115 Combination Sewer Cleaning Machine, a vital piece of equipment used to clean and maintain these systems; and

WHEREAS, an agreement has been negotiated with US Bank Corporation to finance this purchase.

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

- FIRST: it has heretofore determined that it is advisable, necessary and in the public interest to lease a 2015 Vactor Model 2115 Combination Sewer Cleaning Machine from US Bank Corporation for a 5-year term.
- SECOND: The contract shall be a Lease Agreement* and the accounts payable department is authorized to submit the initial and subsequent annual payments to US Bank Corporation pursuant to the attached agreement up to \$324,271.25.
- THIRD: The contract shall be amended and negotiated to the satisfaction of the City Attorney.

Motion supported by Councilperson Teich

Roll Call Vote.

AYES: Mayor Pro-Tem Eveleth, Councilpersons Fox, Greenway, Teich, and Mayor Frederick.

NAYS: None

ABSENT: Councilpersons Bailey and Bandkau.

Bandkau Resignation (This item was added to the agenda.)

Consider acceptance of Councilperson Bandkau's letter of resignation and discuss the process to appoint a new member to fill the vacancy.

Motion by councilperson Fox to accept Councilperson Bandkau's resignation effective immediately.

Motion supported by Councilperson Greenway.

Roll Call Vote:

AYES: Councilperson Greenway, Mayor Pro-Tem Eveleth, Councilpersons Fox, Teich, and Mayor Frederick.

NAYS: None

ABSENT: Councilpersons Bailey and Bandkau.

Mayor Frederick noted it was with regret they accepted Councilperson Bandkau's resignation.

Council then developed the following process for the appointment of a new member to fill the vacancy:

Persons should send a letter of interest to the clerk's office by noon on June 29th. Council will interview candidates at the July 6th regular council meeting. Each council member will be allowed to ask one initial question and one follow up question. Those persons submitting letters of interest will be allowed to make a statement of up to five minutes.

Motion by Mayor Pro-Tem Eveleth to approve the process noted above.

Motion supported by Councilperson Teich.

Roll Call Vote.

AYES: Councilpersons Greenway, Mayor Pro-Tem Eveleth, Councilpersons Teich, Fox, Mayor Frederick.

NAYS: None.

ABSENT: Councilperson Bailey.

COMMUNICATIONS

Kevin D. Lenkart, Public Safety Director. May 2015 Police Report.

Kevin D. Lenkart, Public Safety Director. May 2015 Fire Report.

Historical Commission. Minutes of May 11, 2015.

Zoning Board of Appeals. Minutes of May 19, 2015.

Parks & Recreation Commission. Minutes of May 26, 2015.

Planning Commission. Minutes of May 26, 2015.

CITIZEN COMMENTS AND QUESTIONS

Joe Nowacki, 710 Ament Street. He is hoping the DPW will use the new Vactor truck to clean out the storm sewer near his house. He stated nothing has been done and it still stinks.

Ed Urban, 601 Glenwood Avenue, commented that he felt Dave Bandkau was one of the best councilpersons he has known. He also stated all councilpersons are doing a good job.

Mayor Frederick shared that there is a group of volunteers that have formed a committee to create a veteran's home in Shiawassee County. Currently there are no overnight options in Shiawassee County for veterans. He also invited everyone to a fundraiser for this purpose to be held at the Shiawassee County Fairground. It is a Country Legends impersonator show to be held on July 3rd gates will open at 5:30 and the event starts at 7:00.

Councilperson Fox questioned if the project was being coordinated with the veteran's affairs office in Corunna. Mayor Frederick assured him they are coordinating efforts with the veteran's affairs office in Corunna.

Councilperson Greenway inquired on particular sites for the veteran's home. Mayor Frederick said he couldn't comment on any particular site at this time.

NEXT MEETING

Monday, July 06, 2015

BOARDS AND COMMISSIONS OPENINGS

Historical Commission, expires December 31, 2017

Planning Commission, expires June 30, 2016

ADJOURNMENT

Motion by Mayor Pro-Tem Eveleth for adjournment at 8:34 p.m.

Motion supported by Councilperson Teich and concurred in by unanimous vote.

Benjamin R. Frederick, Mayor

Roxane K. Cramer, Clerk's Assistant

* Marked items are not included in the minutes due to their length. Full text of these items is on file in the Clerk's Office.