

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF SEPTEMBER 19, 2016
7:30 P.M.**

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

OPENING PRAYER: PASTOR PEG FAULMANN
ST. JOHNS UNITED CHURCH OF CHRIST

PLEDGE OF ALLEGIANCE: GARY CSAPOS AND BRENT WESLEY
OWOSSO COMMUNITY AIRPORT REPRESENTATIVES

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Christopher T. Eveleth, Councilpersons Burton D. Fox, Elaine M. Greenway, Michael J. O’Leary, and Robert J. Teich, Jr.

ABSENT: Councilperson Loreen F. Bailey.

APPROVE AGENDA

Motion by Mayor Pro-Tem Eveleth to approve the agenda as presented.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF SEPTEMBER 6, 2016

Motion by Councilperson Fox to approve the Minutes of the Regular Meeting of September 6, 2016 as presented.

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

APPROVAL OF THE MINUTES OF SPECIAL MEETING OF SEPTEMBER 13, 2016

Motion by Mayor Pro-Tem Eveleth to approve the Minutes of the Special Meeting of September 13, 2016 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

General Aviation Appreciation Month

Mayor Frederick read aloud the following proclamation of the Mayor’s Office declaring the month of September 2016 as General Aviation Appreciation Month in the City of Owosso; Owosso Community Airport Assistant Manager Garry Csapos and Shiawassee Airport Board Member Brent Wesley were on hand to receive the proclamation.

**A PROCLAMATION
OF THE MAYOR’S OFFICE OF THE CITY OF OWOSSO, MICHIGAN
PROCLAIMING SEPTEMBER 2016 AS
GENERAL AVIATION APPRECIATION MONTH**

WHEREAS, the City of Owosso in the state of Michigan has a significant interest in the continued vitality of general aviation, aircraft manufacturing, aviation educational institutions, aviation organizations and community airports; and

WHEREAS, general aviation and the Owosso Community Airport have an immense economic impact on the City of Owosso; and

WHEREAS, Michigan is home to 215 public-use general aviation airports, which serve 14,112 pilots and 5,663 active general aviation aircraft; and

WHEREAS, Michigan is home to 121 fixed-base operators, 97 repair stations, 489 heliports, 7 FAA-approved pilot schools, 2,480 flight students and 2,445 flight instructors; and

WHEREAS, general aviation in Michigan contributes over \$4 billion to the state’s total economic output; and

WHEREAS, general aviation not only supports Michigan’s economy, it improves overall quality of life by supporting emergency medical and healthcare services, law enforcement, firefighting and disaster relief, and by transporting business travelers to their destinations quickly and safely; and

WHEREAS, the nation's aviation infrastructure represents an important public benefit and Congressional oversight should be in place to ensure stable funding of this system.

NOW THEREFORE, I, Benjamin R. Frederick, Mayor of the City of Owosso, do hereby proclaim general aviation an important strategic resource to the City of Owosso and declare September 2016 as General Aviation Appreciation Month in the City of Owosso, Michigan.

Proclaimed this 19th day of September, 2016.

After presenting the proclamation Mayor Frederick noted that the Airport may be the area's best kept secret, saying there are many activities at the Airport that people are unaware of.

PUBLIC HEARINGS

Industrial Facilities Tax Exemption Certificate – 300 W. Main Street

A public hearing was conducted to receive public comment on the application from Owosso REI Group, LLC of Owosso for an Industrial Facilities Tax Exemption Certificate for real and personal property for their property at 300 West Main Street.

Larry D. Cook, City Assessor, and Marilyn Crowley, representative for Kincaid Henry general contractor for the project, were on hand to answer questions about the project and/or the requested abatement.

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

Whereas, the Council, after due and legal notice, has met and there being no one to be heard, motion by Mayor Pro-Tem Eveleth that the following resolution be adopted:

RESOLUTION NO. 114-2016

APPROVING AN IFE APPLICATION OWOSSO REI GROUP, LLC 300 W. MAIN STREET

WHEREAS, pursuant to PA 198 of 1974, as amended, after a duly noticed public hearing held on September 6, 2016, this City Council, by resolution established a Plant Rehabilitation District for property occupied by 300 W. Main Street; and

WHEREAS, Owosso REI Group, LLC filed an application for an Industrial Facilities Exemption Certificate with respect to Real Property and New Personal Property within the Plant Rehabilitation District; and

WHEREAS, before acting on said application, the City of Owosso held a hearing on September 19, 2016, in City Hall, at 301 W. Main Street, Owosso, MI, 48867, at 7:30 p.m. at which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, the Rehabilitation of Real Property and acquisition of the New Personal Property had not begun earlier than six (6) months before July 21, 2016, the date application received for the Industrial Facilities Exemption Certificates; and

WHEREAS, Rehabilitation of Real Property and acquisition of the New Personal Property is calculated to and will, at the time of issuance of the certificate, have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Owosso; and

WHEREAS, the aggregate SEV of property exempt from ad valorem taxes within the City of Owosso, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of property thus exempted.

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

FIRST: The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under PA 198 of 1974, as amended and PA 225 of 1978, as amended shall not have the effect of substantially impeding the operation of the City of Owosso, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Owosso.

SECOND: The application from Owosso REI Group, LLC for an Industrial Facilities Exemption Certificate, with respect to Real Property and New Personal Property on the following described parcel of real property situated within the Industrial Development District, to wit:

PART OF ORIGINAL PLAT DESCRIBED AS; SOUTH 1/2 BLOCK 24 & SOUTH 10' OF NORTH 1/2 BLOCK 24, ALSO ADJACENT RESERVE 1, LYING BETWEEN EAST BANK OF SHIAWASSEE RIVER AND SAID DESCRIPTION

be and the same is hereby approved.

THIRD: The Industrial Facilities Exemption Certificate for Real Property and New Personal Property, when issued, shall be and remain in force for a period of twelve (12) years.

Motion supported by Councilperson Teich.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

Obsolete Property Rehabilitation Exemption Certificate – 344 W. Main Street

A public hearing was conducted to receive citizen comment regarding the application from D.R. & H.P., LLC of Lansing for an Obsolete Property Rehabilitation Exemption Certificate for their property at 344 W. Main Street.

Larry D. Cook, City Assessor, and Marilyn Crowley, representative for Kincaid Henry general contractor for the project, were on hand to answer questions about the project and/or the requested abatement.

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

Whereas, the Council, after due and legal notice, has met and there being no one to be heard, motion by Mayor Pro-Tem Eveleth that the following resolution be adopted:

RESOLUTION NO. 115-2016

**TO APPROVE THE APPLICATION FOR AN
OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE
FROM D.R. & H.P., L.L.C.
FOR PROPERTY LOCATED AT
344 W. MAIN STREET**

WHEREAS, the City of Owosso is a Qualified Local Government Unit within the State of Michigan and is empowered to provide tax exemptions for increased value of rehabilitated facilities within the City; and

WHEREAS, after public notice and a public hearing on September 6, 2016, the City Council of the City of Owosso approved an Obsolete Property Rehabilitation District at 344 W. Main Street in Owosso, Michigan. As provided by section 4(2) of Public Act 146 of 2000, said property more particularly described as:

LOTS 10 THRU 15 AND WEST 132 FEET OF LOT 8 AND WEST 132 FEET OF SOUTH 18 FEET OF LOT 7, BLOCK 6, LUCY L COMSTOCKS ADDITION TO THE CITY OF OWOSSO, INCLUDING WEST 132 FEET OF CLOSED ALLEY

WHEREAS, the City Clerk received an application on August 3, 2016 from David R. Russell, founder of D.R. & H.P., L.L.C. owners of the property at 344 W. Main Street, for an Obsolete Property Rehabilitation Exemption Certificate; and

WHEREAS, notice of a public hearing concerning the application for an exemption certificate was provided to the Assessor of the City and the legislative body of each taxing unit that levies ad valorem property taxes in the City; and

WHEREAS, the City finds that the property meets the definition of an obsolete property as defined in section 2(h) of Public Act 146 of 2000 and the application for the exemption certificate is complete; and

WHEREAS, the City finds that the property relates to a rehabilitation program that when completed constitutes a "rehabilitated facility" within the meaning of P.A. 146 of 2000, and said property is located within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of PA 146 of 2000; and

WHEREAS, it has been found that the rehabilitation of the obsolete property is calculated to, and will at the time of the issuance of the certificate, have the reasonable likelihood to increase commercial activity, retain and create employment, and revitalize the downtown; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of the property already exempt under PA 146 of 2000 and under PA 198 of 1974 does not exceed 5% of the total taxable value of the unit; and

WHEREAS, the applicant is not delinquent in any taxes related to the facility; and

WHEREAS, the rehabilitation work described in the application had not commenced prior to the establishment of the District.

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

- FIRST: based on the findings above made at public hearing the application for an Obsolete Property Rehabilitation Exemption Certificate at 344 W. Main Street is hereby authorized for a period of twelve (12) years.
- SECOND: the rehabilitation shall be completed within eighteen (18) months from the date of approval of said application.
- THIRD: the application and resolution are authorized for submittal to the State Tax Commission for final review and authorization.

Motion supported by Councilperson Greenway.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

CITIZEN COMMENTS AND QUESTIONS

Norm Campbell, owner of property at 1605 Palmer Avenue, indicated that the Kiwanis Trail and a portion of the disc golf course in Collamer Park were encroaching on his property and asked that the City take immediate action to remove the encroachments, mark its property lines, and establish a 50' buffer around his property. Mayor Frederick responded saying staff would be in contact with Mr. Campbell to walk the property.

Tom Moorehead, Shiawassee Landlords' Association member, reported that the Association will hold a candidates' night on October 4th at 7:00pm at the Wrought Iron Grill. All are welcome to attend.

Eddie Urban, 601 Glenwood Avenue, thanked the Council for the new assisted listening equipment in the Council Chambers.

Councilperson Fox asked the Airport representatives for more detail on the Compassion Flights that depart from the Airport.

Councilperson Greenway noted the Kiwanis Club would be working with the Boy Scouts and the Owosso Community Airport to hold a special event to educate the Scouts on flight and rocket propulsion.

Shiawassee Airport Board Treasurer Brent Wesley also pointed out the Airport would be working with the local schools to facilitate a class that would include the construction of a full-size working airplane.

CITY MANAGER REPORT

Sitting in for City Manager Donald D. Crawford, Assistant City Manager Montenegro indicated she had nothing to report at this time.

CONSENT AGENDA

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

Oktoberfest Permission. Approve request from the Shiawassee Regional Chamber of Commerce for use of the Ball/Exchange Parking Lot (Lot # 5) and various downtown streets at various times from October 13, 2016 through October 16, 2016 for Oktoberfest 2016 and approve Traffic Control Order No. 1363 formalizing the request.

Bid Award – Clarifier Screening Equipment & Compactors. Approve bid award to Duperon Leasing & Sales, Inc. for the purchase of 2 clarifier screening units with 2 matching washer/compactors for the WWTP in the amount of \$216,775.00 and an additional \$10,000 for installation contingencies for the screening units (washer/compactors will be installed under separate contract), and further approve payment up to the bid amount plus the screening equipment installation contingency upon delivery, installation, and start-up of said equipment as follows:

RESOLUTION NO. 116-2016

**AUTHORIZING BID AWARD TO
DUPERON LEASING AND SALES, LLC
FOR MANUFACTURE AND DELIVERY OF TWO SCREENING UNITS AND
TWO MATCHING WASHER-COMPACTORS FOR THE WASTEWATER PLANT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Wastewater Plant Replacement Fund for the replacement of Screening Units and addition of Washer-Compactors, and

WHEREAS, the existing Screening Units were beyond economical repair, and the matching Washer-Compactors are required to improve process performance and regulatory compliance, and Duperon Leasing and Sales, LLC of Saginaw, Michigan provided the low, responsible bid for this wastewater process equipment at a cost of \$216,775.00, and

WHEREAS, the Utility Director has reviewed the bid proposal and verified the components needed to restore the clarification process to full operational capability, and recommends authorizing Duperon Leasing and Sales, LLC to provide the Screening Units and Washer-Compactors in an amount not to exceed \$216,775.00, and to authorize the Utility Director to expend up to \$10,000.00 for possible installation modification contingencies for the Screening Units, with installation of the Washer-Compactors to be addressed by separate contract.

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 two Screening Units and two Washer-Compactors for use at the Wastewater Treatment Plant from Duperon Leasing and Sales, LLC.
- SECOND: The accounts payable department is authorized to submit payment to Duperon Leasing and Sales, LLC in an amount of not to exceed \$216,775.00 upon delivery, installation, and start-up of the Screening Units by March 2017.
- THIRD: The accounts payable department is further authorized to pay approved invoices up to \$10,000.00 for installation and modification costs.
- FOURTH: The above expenses shall be paid from the Wastewater Plant Fund 599-901-977.000.

Purchase Authorization – Screw Pump Bearing Assembly. Approve sole source purchase of an upper bearing assembly and attached shaft from Lakeside Equipment Corporation of Illinois for an influent screw pump at the WWTP in the amount of \$15,594.00 and authorize payment to the vendor upon satisfactory receipt of the assembly as follows:

RESOLUTION NO. 117-2016

**AUTHORIZING THE PURCHASE OF
ONE SCREW PUMP GEAR BOX
AT THE WASTEWATER TREATMENT PLANT
FROM LAKESIDE EQUIPMENT CORPORATION**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Wastewater Plant Replacement Fund for the replacement of a screw pump upper bearing assembly; and

WHEREAS, the existing upper bearing assembly is not repairable, and has expended its useful service life, and determined to require replacement with original manufacturer replacement components, as provided in the quoted price dated August 22, 2016 from Lakeside Equipment Corporation in the amount of \$15,594.00; and

WHEREAS, the City Utilities Director has reviewed the quote and verified the replacement components needed to restore the screw pump to full operating capacity, and recommends authorizing Lakeside Equipment Corporation to provide the required upper bearing assembly in an amount not to exceed \$15,594.00.

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

FIRST: The city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to contract with Lakeside Equipment Corporation for the purchase of one screw pump upper bearing assembly for use at the Wastewater Treatment Plant.

SECOND: The accounts payable department is authorized to submit payment to Lakeside Equipment Corporation in an amount not to exceed \$15,594.00 upon satisfactory delivery of said assembly.

THIRD: The above expenses shall be paid from account no. 599-901-977.000.

Purchase Authorization — Road Salt. Waive competitive bidding requirements, authorize purchase order with The Detroit Salt Company, LLC, via State of Michigan Contract No. 071B1300339, for 1,800 tons of road salt at \$50.11 per ton, and further authorize payment up to \$90,198.00 upon satisfactory receipt of the product as detailed below:

RESOLUTION NO. 118-2016

**AUTHORIZING THE EXECUTION OF A PURCHASE ORDER WITH
THE DETROIT SALT COMPANY, LLC
FOR THE WINTER SUPPLY OF ROAD SALT**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has a duty to keep its streets safe during the winter months; and that this is advisable, necessary and in the public interest; and

WHEREAS, the most efficient way to remove ice from the streets is the application of road salt onto the icy pavements; and

WHEREAS, in order to obtain the best price, it is in the best interest of the city of Owosso to waive competitive bidding requirements and utilize the state wide contract number 071B300339 held by The Detroit Salt Company, LLC for the purchase of road salt at \$50.11 per ton.

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 1,800 tons of road salt from The Detroit Salt Company, LLC in the amount of \$90,198.00.

SECOND: The contract between the City and The Detroit Salt Company, LLC shall be in the form of a Purchase Order, with reference to State of Michigan Contract No. 071B1300339.

THIRD: The accounts payable department is authorized to pay The Detroit Salt Company, LLC for road salt satisfactorily received, up to the purchase order amount.

FOURTH: The above expenses shall be paid from Local and Major Street Fund.

Warrant No. 528. Authorize Warrant No. 528 as follows:

Vendor	Description	Fund	Amount
William C. Brown, P.C.	Professional services- 8/3/16 - 8/31/16	General	\$12,509.64
Logicalis, Inc.	Network engineering services – August 2016	Various	\$ 7,056.00
Safebuilt, Inc.	Building department services- August 2016	General	\$11,600.00

Motion supported by Councilperson Fox.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

ITEMS OF BUSINESS

Cargill - Revised Development Agreement*

This item was adopted September 13, 2016 as a part of the Brownfield Redevelopment Plan for District #17. Minor changes have been incorporated into the document since then, necessitating this evening's action.

Motion by Councilperson Greenway to approve the Revised Development Agreement with Cargill, Incorporated defining the responsibilities of Cargill and the City of Owosso in regard to Brownfield District #17, Cargill-Sonoco Roadway Project as presented.

Motion supported by Councilperson Greenway.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

Bid Award – Cargill/Sonoco Road & Watermain Construction

Motion by Mayor Pro-Tem Eveleth to approve bid award to Crawford Contracting, Inc. for the construction of a roadway and water main serving Brownfield District #17, Cargill-Sonoco Roadway Project in the amount of \$1,621,311.07 contingent upon the receipt of all necessary approvals from the Michigan Strategic Fund and execution of a deed for right-of-way dedication and water main easements from Sonoco Protective Solutions, Inc., and further approve payment to the contractor upon satisfactory completion of the project or a portion thereof as detailed below:

RESOLUTION NO. 119-2016

**AUTHORIZING BID AWARD TO
CRAWFORD CONTRACTING, INC.
FOR CONSTRUCTION OF ROAD AND WATER MAIN
SERVING BROWNFIELD DISTRICT #17**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, owns property located at 1509 West Oliver Street that is currently under contract for purchase by Cargill, Incorporated; and

WHEREAS, the City must provide street and water access to the property as a part of the purchase agreement; and

WHEREAS, bids for the construction of said improvements were let and the City's contract engineer for the project has reviewed the bid proposals and recommends authorizing award of the project to Crawford Contracting, Inc., the low bidder; and

WHEREAS, construction of the above named improvements is contingent upon approval of Brownfield Redevelopment Plan District #17 by the Michigan Strategic Fund and the execution of a deed for right-of-way dedication and water main easements from Sonoco Protective Solutions, Inc.

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 contract with Crawford Contracting, Inc. for the construction of a road and water main serving Brownfield District #17.

SECOND: The accounts payable department is authorized to submit payment to Crawford Contracting, Inc. in an amount of not to exceed \$1,621,311.07, based on unit pricing, upon satisfactory completion of the project or a portion thereof.

THIRD: The above expenses shall be paid from the General Appropriations and Utility Funds until such time they can be reimbursed with bond proceeds.

FOURTH: Said contract will not become valid until all necessary approvals from the Michigan Strategic Fund are received, a deed for right-of-way dedication and water main easements from Sonoco Protective Solutions, Inc.

Motion supported by Councilperson Fox.

Roll Call Vote.

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

NAYS: None.

ABSENT: Councilperson Bailey.

Development of Educational Plan for Street Bond

Councilperson Fox indicated he is trying to assemble a group of people interested in promoting the City's bond question and he was looking to his fellow Council members to help in the recruitment effort. He said he had also scheduled time to speak with the Landlords' Association in an effort to help educate the public. He asked that information on the proposal be assembled in anticipation of the formation of the committee. Council members were also reminded that they were allowed to advise people of the facts regarding the proposal.

Mayor Frederick asked that Council members get in touch with Councilperson Fox with contact information for recruits by Wednesday.

COMMUNICATIONS

N. Bradley Hissong, Building Official. August 2016 Building Department Report.

N. Bradley Hissong Building Official. August 2016 Code Violations Report.

Kevin D. Lenkart, Public Safety Director. August 2016 Police Report.

Kevin D. Lenkart, Public Safety Director. August 2016 Fire Report.

Historical Commission. Minutes of August 29, 2016.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W M-21, said he was thrilled with all of the activities that were going on in town last weekend. He also said that he had heard that Mr. Campbell had offered to sell his property to the City but the City had not responded to the offer and it would be nice to purchase his property and add it to the park.

Councilperson Fox said he had a question regarding a letter given to him that informed a local landlord that there would be a fee of \$200 to appeal the findings of a rental inspection. He asked that staff look into the matter and correct the wording of the letter.

NEXT MEETING

Monday, October 03, 2016

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – term expires June 30, 2019

Building Board of Appeals – Alternate - term expires June 30, 2018

Historical Commission – term expires December 31, 2016

ADJOURNMENT

Motion by Mayor Pro-Tem Eveleth for adjournment at 8:04 p.m.

Motion supported by Councilperson O'Leary and concurred in by unanimous vote.

Benjamin R. Frederick, 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.