

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF MARCH 3, 2025
6:30 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: TOM WHEELER
DPW SUPERINTENDENT

PRESENT: Mayor Robert J. Teich, Jr., Mayor Pro-Tem Jerome C. Haber,
Councilmembers Janae L. Fear, Carl C. Ludington, Emily S.
Olson, Rachel M. Osmer, and Christopher D. Owens.

ABSENT: None.

APPROVE AGENDA

Motion by Councilmember Olson to approve the agenda as presented.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF FEBRUARY 18, 2025

Motion by Mayor Pro-Tem Haber to approve the Minutes of the Regular Meeting of February 18, 2025 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

None.

CITIZEN COMMENTS

Tom Manke, 2910 W. M-21, said he was very happy to hear that the downtown will be holding a Shamrock Shuffle this year involving 30 different businesses. He also noted that there are many events planned for the summer in surrounding communities, but Owosso doesn't seem to have any.

Patrice Martin, 615 N. Park Street, said she was grateful that Council was taking their time with the decision on the utility rates. She said this is a huge topic for the community and suggested that Council consider holding a town-hall type meeting to educate the public and provide an opportunity for questions from the public.

Bruce Noble, 215 Cass Street, noted that Summer Praise will be hosting six concerts this summer at the amphitheater.

COUNCIL COMMENTS

There was discussion among Council regarding whether to structure the 5th Monday meeting proposed for March 31, 2025 as a town-hall style meeting. City Manager Henne indicated that Council would be able to decide the matter after this evening's presentation and discussion.

CONSENT AGENDA

Motion by Councilmember Olson to approve the Consent Agenda as follows:

***Professional Services Agreement - Private Credit Assessment Services.** Approve professional services agreement with S&P Global Ratings for the provision of private credit

assessment services in the amount of \$18,900.00 for DWSRF Project No. 7880-01, and further approve payment to the firm upon satisfactory completion of the contracted tasks as follows:

RESOLUTION NO. 29-2025

**AUTHORIZING CREDIT ASSESSMENT SERVICES FROM
S&P GLOBAL RATINGS**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, will be asked to approve a resolution of intent to issue revenue bonds per Public Act 94 of 1933, as amended; and

WHEREAS, such revenue bonds will be purchased by the state of Michigan under their Drinking Water Revolving Loan Fund program; and

WHEREAS, this state of Michigan program requires municipalities to include a private credit assessment with their application; and

WHEREAS, professional services are exempt from the city's adopted purchasing ordinance; and

WHEREAS, S & P Global Ratings provides such service that meets the requirements of the state of Michigan program.

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 waive competitive bidding requirements and enter into a professional services agreement with S&P Global Rating to provide a private credit assessment for a revenue bond issuance involving the State of Michigan Drinking Water Revolving Loan Fund Program.
- SECOND: the contract between the city of Owosso and S & P Global Ratings shall be in the form of a city purchase order.
- THIRD: the accounts payable department is authorized to pay S&P Global Ratings for work satisfactorily completed at a cost estimate of \$18,900 under said professional service agreement.
- FOURTH: the expense shall be paid from the Water Fund 591-901-972.000-DWRF788001.

Master Plan Implementation Goals: 3.4, 3.7

***Change Order- MI-HOPE Grant Project.** Approve Change Order No. 5 to the contract with Merkel & Kenney, Inc. for the MI-HOPE Grant Project, adding \$8,000.00 for the completion of 16 energy audits and further approve payment to the contractor up to the adjusted contract amount of \$354,126.00 upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 30-2025

**APPROVING CHANGE ORDER NO. 5 TO
THE MI-HOPE GRANT CONSTRUCTION CONTRACT
WITH MERKEL & KENNEY, INC.
TO PERFORM ENERGY AUDITS**

WHEREAS, the City of Owosso applied for and received a MI-HOPE Grant totaling \$365,000 to assist property owners in funding energy efficiency improvements, such as window replacement, HVAC replacement, and appliance upgrades; and

WHEREAS, the beneficiaries of this grant included sixteen (16) residents in the community that experienced a Qualified Financial Hardship associated with the coronavirus pandemic; and

WHEREAS, energy audits are required as a part of the program and Merkel and Kenney, Inc. is the current contractor for the MI-HOPE Grant Construction Contract, and as such, is qualified to perform the energy audits; and

WHEREAS, the grant allows the City of Owosso to utilize up to \$15,000 of the total grant received for administrative costs; and

WHEREAS, the energy audits total \$8,000.

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 approve Change Order No. 5 to the MI-HOPE Grant Construction Contract with Merkel and Kenney Inc. for the addition of energy audits for sixteen (16) home improvement projects as a part of the 2023/2024/2025 MI-HOPE Grant (ARP-2023-37-MIH) in the amount of \$8,000.
- SECOND: the Mayor and City Clerk are hereby instructed and authorized to sign Change Order No. 5, substantially in the form attached.
- THIRD: the Accounts Payable department is authorized to pay Merkel and Kenney Inc. for work satisfactorily completed on the project up to the contract amount \$354,126.00, with prior approval from MSHDA.
- FOURTH: the above expenses shall be paid from the Housing & Redevelopment Fund 254-200-818.000.

Motion supported by Councilmember Osmer.

Roll Call Vote.

AYES: Councilmembers Ludington, Fear, Mayor Pro-Tem Haber, Councilmembers Osmer, Owens, Olson, and Mayor Teich.

NAYS: None.

ITEMS OF BUSINESS

Notice of Pecuniary Interest

Motion by Councilmember Owens to enter the following notice of pecuniary interest on the record for Councilmember Carl Ludington as it relates to proposed contracts with Ludington Electric, Inc., in the amount of \$1,584.29 for the period of February, 2025:

STATEMENT REGARDING BUSINESS DEALINGS WITH THE CITY

Per Owosso City Charter Section 14.4 and Michigan Public Act 317 of 1968, as amended

I, Carl Ludington, being an officer of the City of Owosso, do hereby declare a pecuniary interest in the foregoing proposed contract(s) with the City of Owosso as described as:

PO NUMBER	DEPT.	VENDOR	DESCRIPTION	AMOUNT
000046662	862	LUDINGTON ELECTRIC, INC.	CITY HALL ELECTRIC INSPECTION	150.00
000046672	862	LUDINGTON ELECTRIC, INC.	FIX BROKEN LIGHT IN RECYCLE ROOM	174.29
000046631	863	LUDINGTON ELECTRIC, INC.	AERATOR BLOWER TROUBLE SHOOT, ANNUNCIATOR RELOCATE, OUTLETS RELOCATE	1,260.00
				<u>\$ 1,584.29</u>

For the Period of: February 2025

Vendor: Ludington Electric, Inc

Total Amount: \$1584.29

I am making this declaration because I am the owner/operator of Ludington Electric, Inc. I confirm that I will not vote on the matter(s) in question, I will not take part in discussion on any question in respect to the matter(s), and I will not attempt in any way whether before, during or after the meeting to influence the voting on any such question at a public meeting of the Owosso City Council.

Said items will be considered for approval at the March 17, 2025 meeting of the Owosso City Council.

Declared this 3rd day of March, 2025.

Motion supported by Councilmember Olson.

Roll Call Vote.

AYES: Councilmembers Owens, Fear, Mayor Pro-Tem Haber, Councilmembers Osmer, Olson, and Mayor Teich.

NAYS: None.

ABSTAIN: Councilmember Ludington.

Charter Adoption – Shiawassee Recycling Community Work Group

Master Plan Implementation Goals: 1.6, 1.23, 4.16, 4.20, 5.14, 6.5

Motion by Councilmember Osmer to approve adoption of the proposed charter for the Shiawassee Recycling Community Work Group as follows:

RESOLUTION NO. 31-2025

APPROVING THE SHIAWASSEE RECYCLING COMMUNITY WORK GROUP CHARTER

WHEREAS, the City of Owosso supports regional collaboration in waste reduction, recycling, and sustainability; and

WHEREAS, the Shiawassee Recycling Community Work Group has established a charter to guide its efforts in building a stronger local recycling economy and improving environmental sustainability.

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

FIRST: the Shiawassee Recycling Community Work Group Charter is approved in the form attached as Exhibit A.

SECOND: it authorizes the City’s participation in the initiatives of the Work Group.

EXHIBIT A

Charter - Shiawassee Recycling Community Work Group

The Shiawassee Recycling Community Work Group has come together to achieve the following:

Vision: The Owosso and Shiawassee region will have a robust recycling program that builds a stronger, sustainable local economy.

Mission: Through collaboration, we will work together to identify opportunities to build a sustainable economy, create jobs, reduce environmental impacts, and improve the quality of life for all residents.

Goals: Collaborate, Participate, Build

1. **COLLABORATE** in the Exchange of Information and Ideas
 - a. Work with private sector intermediaries (e.g. Shiawassee Economic Development Partnership and Shiawassee Chamber of Commerce) to identify opportunities for new local businesses, economic development, and increased employment, especially for those who face challenges entering the workforce
 - b. Bring together public and private stakeholders with an active interest in waste reduction, recycling, and resource recovery to learn from one another and find areas for collaboration
 - c. Inform and educate the public on waste reduction and recycling issues and opportunities and make available reports and information gathered by the Task Force
2. **PARTICIPATE** and Host Community Listening Sessions
 - a. Assist local governments to meet state and federal materials management requirements
 - b. Make waste reduction and recycling a starting point of local efforts to build a sustainable, resilient community
 - c. Help build public awareness for the many benefits of waste reduction and recycling and support public engagement activities on this topic
 - d. Include youth in the planning process to ensure future generations will benefit from present day investments. Offer leadership opportunities and seek their insights.
3. **BUILD** a Local Recycling Economy
 - a. Help assemble competitive grant applications for state and federal funds made available for waste reduction, recycling, climate resiliency, and sustainable business; identify local matching grants where applicable.

- b. Leverage existing community assets, both private and public, that support waste reduction, recycling and sustainability efforts.
- c. Help build and support a robust local economic waste reduction and recycling ecosystem to generate resource materials and create new products and markets.
- d. Create local jobs (especially for the underemployed and others having difficulty entering the job market) and identify job training and career/technical education opportunities.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmembers Fear, Owens, Ludington, Mayor Pro-Tem Haber, Councilmembers Osmer, Olson, and Mayor Teich.

NAYS: None.

Utility Rate Discussion (continued from the meeting of March 3, 2025)

Master Plan Implementation Goals: 1.5, 2.11, 3.3, 3.4, 3.9,

The Utilities Director and Utilities Superintendents gave a detailed presentation covering the history of utility improvements since 2020 and the necessity of moving forward with the plans proposed for the next five years. The situation is critical, and significant improvements must be made to all components of the water and wastewater systems to prevent a catastrophic failure. It was clearly pointed out that the City is at risk of receiving hefty fines if it does not continue to make forward progress on the overall condition of its utilities, and individual Council members could be held liable if they decide not to follow the recommendations of the state, staff, and engineers. The discussion concluded with the scheduling of Council tours for both plants as well as the distribution/collection systems.

Fifth Monday Meeting

Motion by Councilmember Olson setting a 5th Monday meeting for Monday, March 31, 2025 at 6:30 p.m. at a location to be determined. This meeting will be held town-hall style for the purpose of educating the public on the critical needs of the utilities systems and the anticipated increases in the corresponding utility rates.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmember Osmer, Mayor Pro-Tem Haber, Councilmembers Olson, Owens, Fear, Ludington, and Mayor Teich.

NAYS: None.

CITIZEN COMMENTS

Tom Manke, 2910 W. M-21, said it would be great if Councilmembers joined the crew for a water main break. He went on to say that the proposed utility rates will be a huge issue for the community, and something needs to be done to educate the public about why they're necessary.

Jael Harrington, 515 N. Washington Street, implored Council to do the right thing and make the necessary utility improvements. She said she had lived in a community with failing utilities and had seen the loss and damage to both public and private property that occurred. She said Michigan is a beautiful state and we need to make the right choices to keep it that way. The cost is small in comparison to what you could lose.

Patrice Martin, 615 N. Park Street, thanked Council for moving forward with the town-hall meeting. She asked that Council take the time in the next couple of weeks to think about what information the public will be looking for and how to best deliver that information.

COUNCIL COMMENTS

Councilmember Osmer noted that there is another meeting regarding the warming centers on Friday at 2:00pm. They are looking for volunteers to help with meals and an overnight location. She also noted that the Cook Family Foundation will be hosting virtual and live listening sessions on recycling in the coming weeks for those that are interested in the topic.

CITY MANAGER REPORT

Nathan R. Henne, City Manager. City Manager Report – February 2025.

COMMUNICATIONS

Brad A. Barrett, Finance Director. Financial Report – January 2025.
Owosso Historical Commission. Minutes of February 11, 2025.
Downtown Historic District Commission. Minutes of February 19, 2025.

NEXT MEETING

Monday, March 17, 2025

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – Alternate - term expires June 30, 2026
Building Board of Appeals – Alternate - term expires June 30, 2025
DDA/OMS Board x 2 – terms expire June 30, 2028
Zoning Board of Appeals – Alternate – term expires June 30, 2027
Zoning Board of Appeals – Alternate – term expires June 30, 2025

ADJOURNMENT

Motion by Councilmember Osmer for adjournment at 9:54 p.m.

Motion supported by Councilmember Fear 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.