

Please see page 2 for information on how to view the meeting virtually

**CITY OF OWOSSO
SPECIAL MEETING OF THE CITY COUNCIL
MONDAY, MARCH 31, 2025**

~~6:30 P.M.~~

7:00 p.m.

~~Meeting to be held in the Armory Community Room
215 N. Water Street (lower level)~~

City Hall Council Chamber, 301 W. Main Street

AGENDA

PLEDGE OF ALLEGIANCE:

ROLL CALL:

ADDRESSING THE CITY COUNCIL

1. Your comments shall be made during time set aside for that purpose.
2. Stand or raise a hand to indicate that you wish to speak.
3. When recognized, give your name and address and direct your comments and/or questions to any City official in attendance.
4. Each person wishing to address the City Council and/or attending officials shall be afforded one opportunity of up to four (4) minutes duration during citizen comments and questions.
5. In addition to the opportunity described above, a citizen may respond to questions posed to him or her by the Mayor or members of the Council, provided members have been granted the floor to pose such questions.

ITEMS OF BUSINESS

1. Utility Projects & Rates Presentation. A presentation will be given regarding the needs of the water and sewer systems over the next 5 years and the rates required to fund them.

CITIZEN COMMENTS

COUNCIL COMMENTS

NEXT MEETING

Monday, April 07, 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

The City of Owosso will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio recordings of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon seventy-two (72) hours notice to the City of Owosso. Individuals with disabilities requiring auxiliary aids or services should contact the City of Owosso by writing, calling, or emailing the following: Owosso City Clerk's Office, 301 West Main Street, Owosso, MI 48867; Phone: (989) 725-0500; Email: city.clerk@ci.owosso.mi.us. The City of Owosso Website address is www.ci.owosso.mi.us.

***PLEASE TAKE NOTICE THAT THE FOLLOWING MEETING
CAN ONLY BE VIEWED VIRTUALLY***

The Owosso City Council will conduct an in-person meeting on March 31, 2025. Citizens may view and listen to the meeting using the following link and phone numbers.

**OWOSSO CITY COUNCIL
Monday, March 31, 2025 AT 7:00 P.M.**

The public joining the meeting via Zoom CANNOT participate in public comment.

- **Join Zoom Meeting:**

<https://us02web.zoom.us/j/81450927701?pwd=MPC0PEYuTo0kg1vHxaU9Afp0N3M4ol.1>

Meeting ID: 814 5092 7701

Passcode: 558768

One tap mobile

+13052241968,,81450927701#,,,,*558768# US

+13092053325,,81450927701#,,,,*558768# US

Dial by your location

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Washington DC)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

- **For video instructions visit:**

- o Signing up and Downloading Zoom <https://youtu.be/qsy2Ph6kSf8>

- o Joining a Zoom Meeting <https://youtu.be/hlkCmbvAHQQ>

- o Joining and Configuring Audio and Video <https://youtu.be/-s76QHshQnY>

- **Helpful notes for participants:** [Helpful Hints](#)

- **Meeting packets are published on the City of Owosso website** <http://www.ci.owosso.mi.us>

Any person who wishes to contact members of the City Council to provide input or ask questions on any business coming before the Council on March 31, 2025. may do so by calling or e-mailing the City Clerk's Office prior to the meeting at (989)725-0500 or city.clerk@ci.owosso.mi.us. Contact information for individual Council members can be found on the City website at: <http://www.ci.owosso.mi.us/Government/City-Council>

The City of Owosso will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio recordings of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon seventy-two (72) hours notice to the City of Owosso. Individuals with disabilities requiring auxiliary aids or services should contact the City of Owosso by writing, calling, or emailing the following: Owosso City Clerk's Office, 301 West Main Street, Owosso, MI 48867; Phone: (989) 725-0500; Email: city.clerk@ci.owosso.mi.us. The City of Owosso Website address is www.ci.owosso.mi.us.



2025-2030



Water and Sewer Rates and Future Projects



Safety is our Priority!

The primary mission of the Owosso Public Works and Utilities Department is to plan for, operate, and maintain both the infrastructure and the organization necessary to deliver high quality drinking water, to provide an adequate and reliable water supply for all household, commercial, and community needs, and to sustain and enhance the region's watersheds and quality of life by managing wastewater effectively.

How Water/Sewer Rates Work

Like many communities, Owosso charges users for water and sewer:

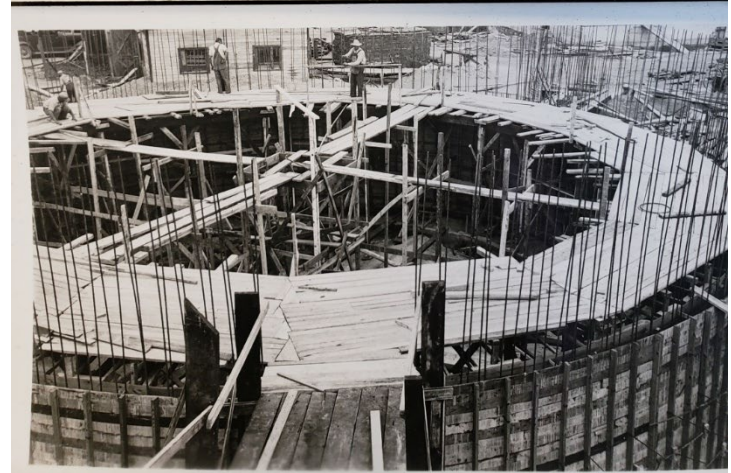
- Demand Charge: paying to be connected
 - Fixed \$\$ amount
- Usage Charge: pay for the amount of water you use
 - Can change from one billing cycle to the next

Water and Sewer rates are not a tax

- Unlike your property taxes, utility rates can only be used for one purpose: building and maintaining the city's water and sewer systems

What makes up the city's water and sewer systems?

- Two treatment plants
 - Drinking water plant (WTP): 3 mgd
 - Water wells, iron removal, lime softening, clarification, filtering disinfection
 - Wastewater treatment plant (WWTP): 6 mgd
 - Biologic
 - Headworks, screening, grit removal, clarification, sludge thickening, sludge dewatering, bio treatment, further clarification, filtering and disinfection
- Water distribution system
 - 110 miles of water main: 1.5 to 24", average age 80 years
 - 799 fire hydrants, 2,388 valves, 6471 water meters
 - Water Storage: 1 tower, 1 standpipe, 1 underground reservoir
 - Service lines



Original Wastewater and Water plants built in 1930s as WPA projects



Original water plant built in 1939. Expanded to include pretreatment in 2004.

- Sewer Collection
 - 72 miles of sewer main (68 miles gravity, 4 miles pressurized)
 - Average age: 95 years
 - 14 pumping stations (3 in city limits)

Enterprise Funds – What are they?

Water and Sewer Rates are part of separate funds:

- Water fund
- Wastewater Fund (WWTP)
 - Paid for by contributions from Corunna, Owosso, Owosso Twp, and Caledonia township via 1977 wastewater agreement
 - These contributions are also funded by rates coming from each community.
- Sewer Fund (sewer collection)

Rates go to these funds to pay for operation, maintenance, and capital improvements to water and sewer systems

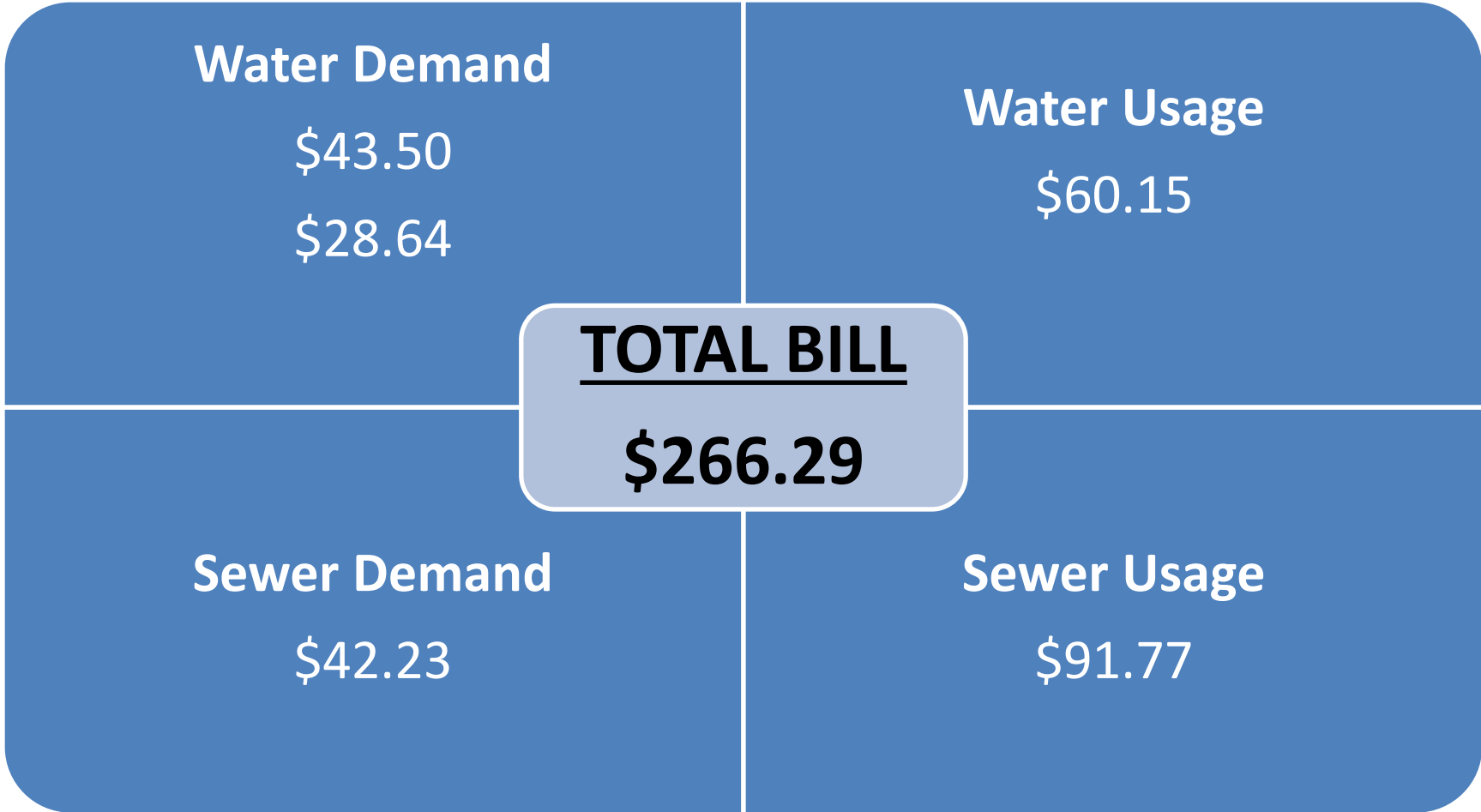
Enterprise Funds vs Governmental Funds

- Property taxes do not pay for water and sewer systems
 - Taxes on property pay for law enforcement, fire department, elections, parks, administration, assessing, storm drains, etc
- Streets are paid for with...
 - Taxes you pay at the fuel pump then distributed by the state to cities, counties, and state highways based on a formula in state law from 1951

How rates are structured

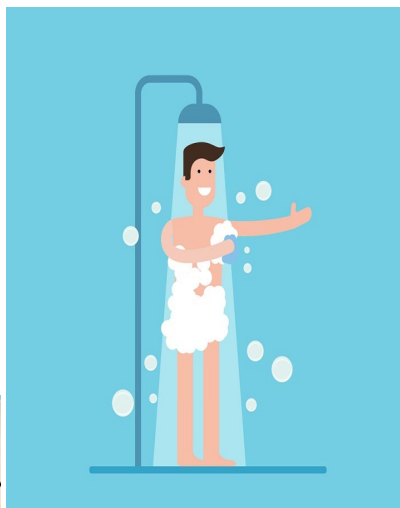
- Owosso is like most cities that provide water and sewer:
 - Demand Charge
 - flat rate paid no matter the amount of water used
 - Usage Charge
 - varying rate based on the amount of water you use

Sample water and sewer bill – based on 18 units/quarter



How Does a Household Typically use its Water?

Use	% of household use
Toilet	24%
Showers	20%
Faucets	19%
Laundry	17%
Other (cleaning, water leaks, watering, etc.)	20%

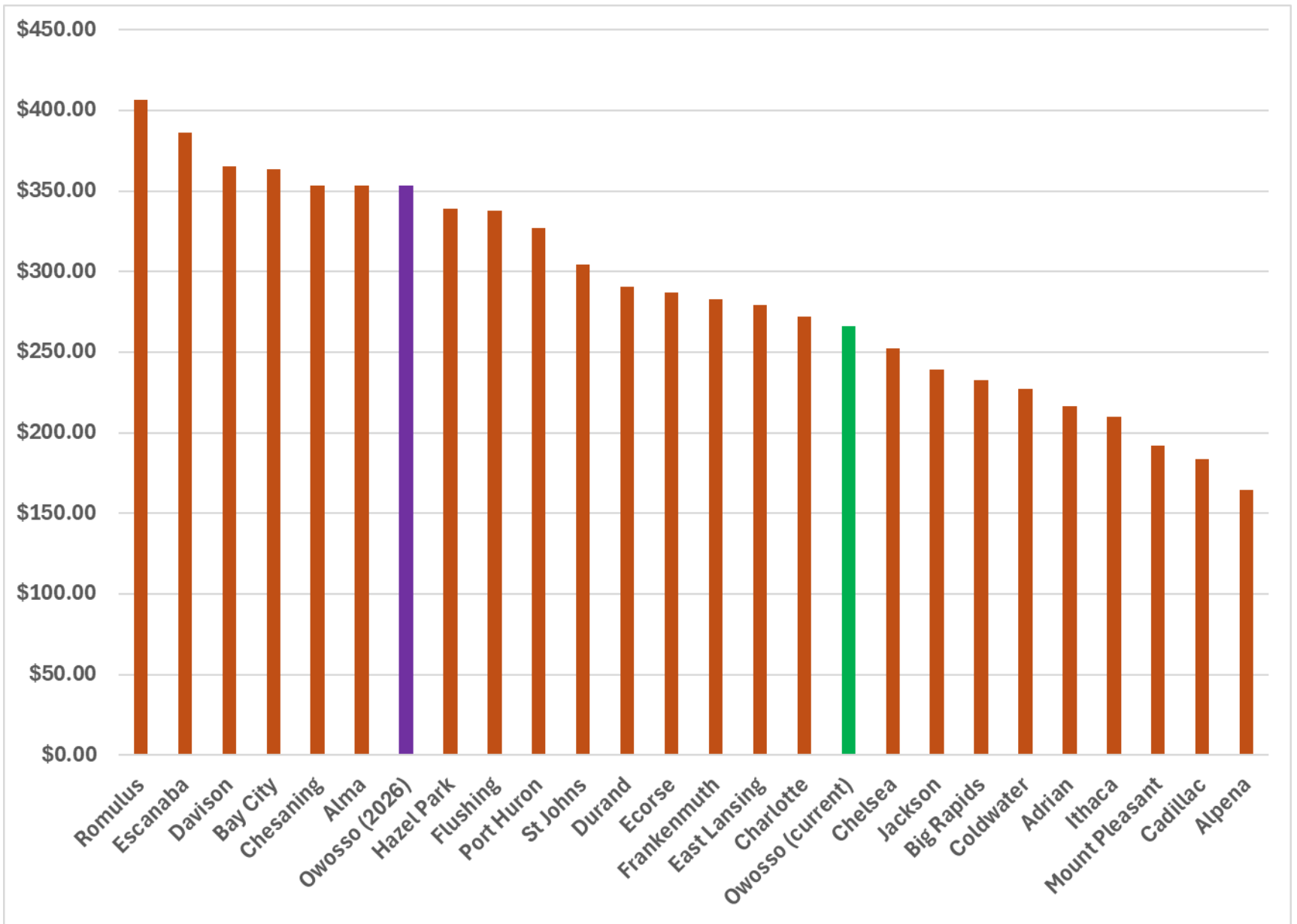


Owosso Rate History: 20 years

- Average bill based on single family home service line and 18 units of usage per billing cycle (13,464 gallons)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Quarterly Bill	\$97.20	\$97.20	\$97.20	\$97.20	\$97.20	\$101.50	\$112.60	\$112.60	\$126.20
\$/gallon	\$0.007	\$0.007	\$0.007	\$0.007	\$0.007	\$0.008	\$0.008	\$0.008	\$0.009

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
\$131.80	\$137.40	\$142.00	\$146.60	\$156.20	\$178.40	\$185.08	\$198.90	\$198.90	\$234.70	\$258.54	\$266.30
\$0.010	\$0.010	\$0.011	\$0.011	\$0.012	\$0.013	\$0.014	\$0.015	\$0.015	\$0.017	\$0.019	\$0.020



What has
the city
done to
keep rates
low?

- All new hires on defined contribution rather than a pension
- Automatic meter read system with new meters
- Grants and forgivable loans
 - These programs beginning to dry up
- **PUTTING OFF PROJECTS**
 - Often well past a component's useful life.

What's been done?

WWTP

- Headworks, grit removal system, 2 screw presses, holding tanks, sludge pumps and piping, polymer feed system, ferric feed system, HVAC upgrades, high pressure blowers, building sump replacement, structural repairs to building, screeners, primary clarifiers, disinfection, initial sludge dewatering, sludge thickener, filters, secondary clarifier, drying beds, process building roof, demo and reconfiguration, backup power.

Sewer Collection

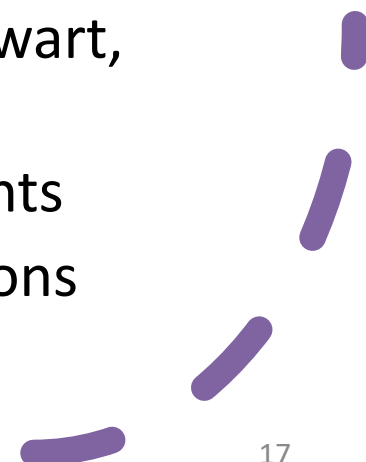
- Sewer rehab: CIPP lining, open trench replacements



WTP

- Backwash pumps, service piping, water storage rehab (standpipe and tower), SCADA system, well house rehab, raw water line maintenance, filter system replacement

Water Distribution

- Water Main with service lines: Center, North, Lee, Clyde, Lynn, Huron, Milwaukee, Stewart, Dewey, Tracy
 - Service line replacements
 - Service line identifications
- 

How
much did
all this
cost?

- \$65,000,000
 - \$20.5 million of this was grants and forgivable loans.
 - \$42 million was low interest loans through state
 - \$2.5 million was cash that the water, sewer, and wastewater funds had on hand.

What projects are needed?

Project Name/Description	2025	2026	2027	2028	2029	2030
WTP Plant Replacement Project (tentative) - Membrane Plant Design and Permit (Engineering Construction & Admin)	\$200,000	\$200,000	-	-	-	-
SCADA Controls - WTP - Phase 1 (DWSRF 7497-01) (Engineering Construction & Admin)	350,000	-	-	-	-	-
Electrical System and Grounding Improvements (possible DWSRF) (Construction)	-	1,000,000	-	-	-	-
Equipment Storage Building (WTP) (Construction)	-	-	\$85,000	-	-	-
Lagoon Security Fence (Construction)	-	-	85,000	-	-	-
Roof Replacement (Construction)	-	-	-	-	\$470,000	-
Sub-basement Sump Pump Improvements (Construction)	-	-	50,000	-	-	-
Internal Pipe Cleaning - Clarifier Effluent to Filter Influent (Service)	150,000	-	-	-	-	-
Hi Service Pneumatic Controller (Service)	30,000	-	-	-	-	-
Pump and Motor Replacement (WWTP) (Equipment)	15,000	15,000	15,000	\$15,000	15,000	\$15,000
Rehabilitate Palmer Well #3A (Service)	-	-	-	-	45,000	-
Palmer #2 Well Rehab (Construction)	-	-	-	50,000	-	-
WTP Well Rehab (2) LW13 and LW1 (Service)	45,000	45,000	-	-	-	-
WTP Hintz Well Rehab (Construction)	-	-	50,000	-	-	-
Well House LW1, P@ & P1 and mechanical equipment improvements (possible DWSRF)	-	1,000,000	-	-	-	-
Lagoon 2 & 3 - Lime Sludge Removal (Service)	496,000	-	-	-	-	-
Backwash Lagoon No 1 Rehab (Service)	-	60,000	-	-	-	-
Backwash Lagoon No 2 Rehab (Service)	-	60,000	-	-	-	-
Altitude Valves (2) - Replace or rebuild (Construction)	-	-	50,000	-	-	-
Lagoon 1 - Lime Sludge Removal (Service)	-	266,000	-	-	-	-
Lagoon 4 - Lime Sludge Removal (Service)	-	-	-	-	664,000	-
Lime Residuals Mechanical Dewatering (Construction)	-	-	-	-	-	15,000,000
Aerator Improvements (Service)	-	-	260,000	-	-	-
Replace Chlorine Distribution Tanks (Service)	-	-	-	-	1,500,000	-
SCADA Controls - WTP - Phase 1 (DWSRF 7497-01) (Construction)	1,850,000	-	-	-	-	-
Transmission Water Main Replacement Project (Construction/Maintenance)	-	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Sub-totals	3,136,000	4,146,000	2,095,000	1,565,000	4,194,000	16,515,000
Plus: Inflation Allowance (5%)	156,800	207,300	214,738	246,683	903,833	4,562,790
Total Capital Improvements	\$3,292,800	\$4,353,300	\$2,309,738	\$1,811,683	\$5,097,833	\$21,077,790

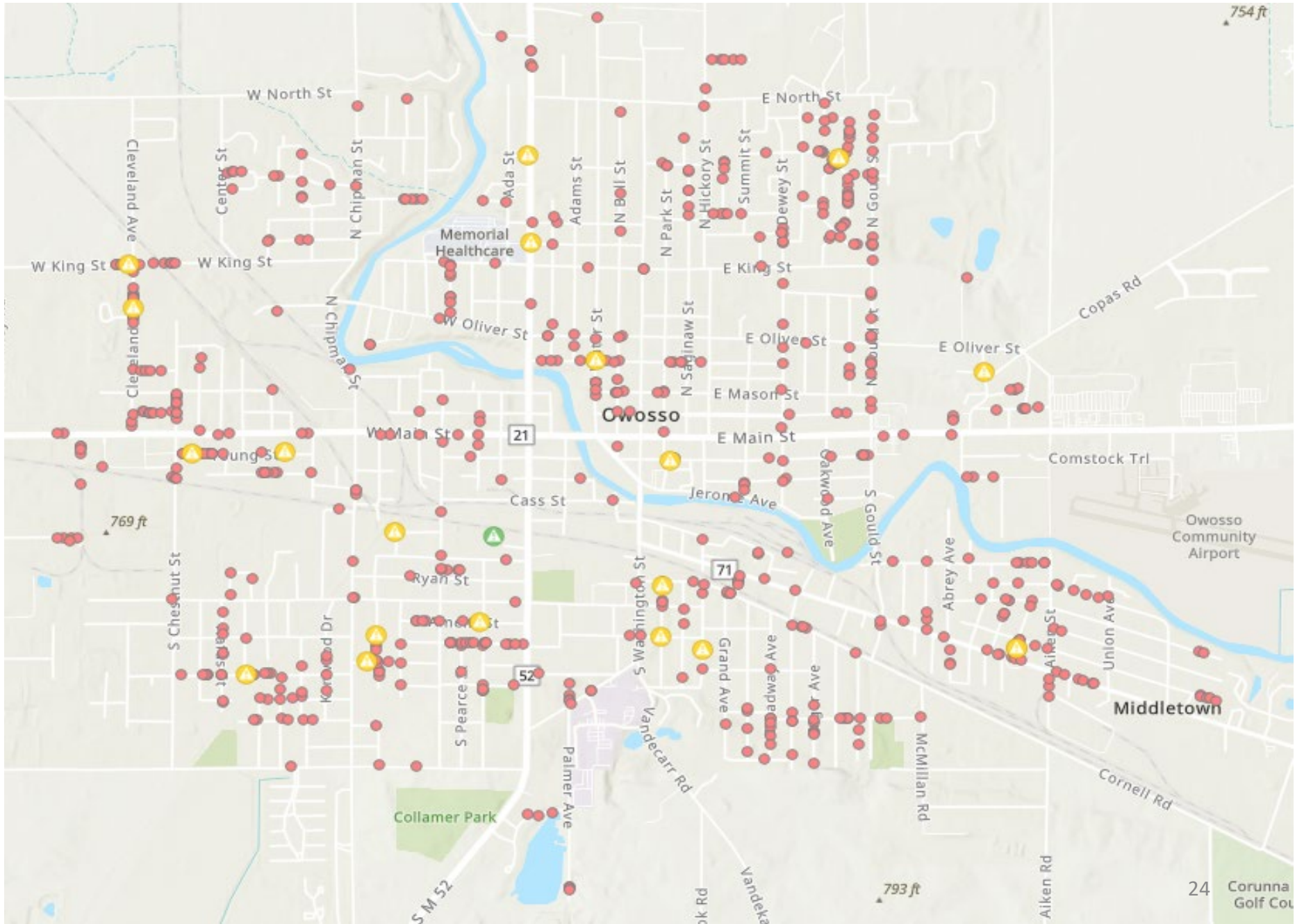
Project Name/Description	2025	2026	2027	2028	2029	2030
Exchange Street Water Main Replacement (Construction/Maintenance)	-	\$833,750	-	-	-	-
Campbell Drive Water Main Replacement (Construction/Maintenance)	-	-	-	-	\$474,000	-
Broadway Avenue Water Main Replacement (Construction/Maintenance)	-	-	-	\$241,000	-	-
King Street Water Main Replacement (Construction/Maintenance)	-	-	-	718,750	-	-
Water Street Water Main Replacement (Construction/Maintenance)	-	-	-	-	-	\$695,750
Martin Street Water Main Replacement (Construction/Maintenance)	-	-	-	-	709,000	-
Huntington Drive Water Main Replacement (Construction/Maintenance)	-	-	-	-	488,750	-
Dewey Street Water Main Replacement (Construction/Maintenance)	-	-	-	-	1,644,500	-
Elm Street Water Main Replacement (Construction/Maintenance)	-	-	-	-	-	320,000
Comstock Street Water Main Replacement (Construction/Maintenance)	-	-	-	-	891,250	891,250
Monroe Street Water Main Replacement (Construction/Maintenance)	-	-	-	1,150,000	-	-
Ball Street Water Main Replacement (Construction/Maintenance)	-	-	-	1,725,000	-	-
Mason Street Water Main Replacement (Construction/Maintenance)	-	-	\$569,250	-	-	-
2025 Water Main Replacement Project (Construction/Maintenance)	\$343,000	895,000	-	-	-	-
Gilbert Street Water Main Replacement (Construction/Maintenance)	391,000	-	-	-	-	-
Clinton Street Water Main Replacement (Construction/Maintenance)	635,375	-	-	-	-	-
Stewart Street Water Main Replacement (Construction/Maintenance)	300,000	-	-	-	-	-
2028 Water Main Replacement Project (Construction/Maintenance)	-	-	-	1,344,000	1,237,000	-
2027 Water Main Replacement Project (Construction/Maintenance)	-	-	2,412,250	2,297,125	-	-
2029 Water Main Replacement Project (Construction/Maintenance)	-	-	-	-	-	2,651,625
Water Service Line Replacement Project (Construction/Maintenance)	1,200,000	1,300,000	1,400,000	1,500,000	1,600,000	1,700,000
Jerome Street Water Service Line Replacement (Construction/Maintenance)	-	69,300	-	-	-	-
Chipman Street Water Main Replacement (2) (Construction/Maintenance)	-	-	1,075,250	-	-	-
Chipman Street Water Main Replacement (1) (Construction/Maintenance)	-	-	569,250	-	-	-
Cedar Street Water Main Replacement (Construction/Maintenance)	-	-	2,530,000	-	-	-
Woodlawn Avenue Water Main Replacement (Local) (Construction/Maintenance)	-	460,000	-	-	-	-
Sub-totals	2,869,375	3,558,050	8,556,000	8,975,875	7,044,500	6,258,625
Plus: Inflation Allowance (5%)	143,469	177,903	876,990	1,414,822	1,518,134	1,729,143
Total Capital Improvements	\$3,012,844	\$3,735,953	\$9,432,990	\$10,390,697	\$8,562,634	\$7,987,768

Project Name/Description	2025	2026	2027	2028	2029	2030
2026 Water Main Replacement Project (Construction/Maintenance)	-	\$1,798,000	\$2,042,000	-	-	-
Shady Lane Water Main Replacement (Construction/Maintenance)	-	690,000	-	-	-	-
2024 Water Main Replacement Project (Construction/Maintenance)	\$599,375	-	-	-	-	-
WTP Filter Rehab (DWSRF 7497-01) (Construction)	3,000,000	-	-	-	-	-
Booster Station Upgrade (Construction)	-	-	1,000,000	-	-	-
CO2 Distribution System Rehab (Construction)	-	-	-	\$380,000	-	-
WTP Filter Rehab (basement level equipment/control panels on first floor) (Construction)	-	-	-	500,000	-	-
WTP Reservoir Design/High Service Pump Replacement (Construction)	-	-	-	-	\$20,000,000	-
Filter valves, actuators & meters installed with controls (Construction)	-	-	-	500,000	-	-
WTP River Crossing Raw Water Main Replacements (Construction)	-	-	-	-	1,000,000	-
Chlorine Distribution Tanks (Construction)	-	-	-	-	1,000,000	-
Fluoride Distribution System (Construction)	-	-	-	-	250,000	-
Filter Effluent Piping Replacement (Construction)	-	-	-	130,000	-	-
Rehabilitate Juniper #1 Well (Service)	-	-	-	-	-	\$45,000
Plant Effluent Prop Meter (Other)	25,000	-	-	-	-	-
Sub-totals	3,624,375	2,488,000	3,042,000	1,510,000	22,250,000	45,000
Plus: Inflation Allowance (5%)	181,219	124,400	311,805	238,014	4,795,014	12,433
Sub-total Capital Improvements	\$3,805,594	\$2,612,400	\$3,353,805	\$1,748,014	\$27,045,014	\$57,433
Total Capital Improvement Plan	\$10,111,238	\$10,701,653	\$15,096,533	\$13,950,394	\$40,705,481	\$29,122,990
6 Year Total						\$119,688,288
SCADA Controls - WTP - Phase 1 (DWSRF 7491-01) (Engineering Construction & Admin)	\$350,000					
SCADA Controls - WTP - Phase 1 (DWSRF 7491-01) (Construction)	1,850,000					
WTP Filter Rehab (DWSRF 7497-01) (Construction)	2,795,398					
Total bond funded existing bond funded	\$4,995,398					
Proposed bond funded		\$9,401,653	\$13,696,533	\$12,450,394	\$39,105,481	\$27,422,990
Proposed cash funded	\$5,115,840	\$1,300,000	\$1,400,000	\$1,500,000	\$1,600,000	\$1,700,000

Project Name/Description	2025	2026	2027	2028	2029	2030
Auxiliary Roof Replacement (Construction)	-	\$300,000	-	-	-	-
Administration Building / Lab Rehab (Construction)	-	250,000	-	-	-	-
Primary Clarifier Steel Coating (Construction)	-	-	\$150,000	-	-	-
Security Cameras (Construction)	-	-	30,000	-	-	-
Plant Improvements - Phase 1: Filtration, Disinfection, Electrical, SCADA (Construction)	\$10,000,000	10,000,000	-	-	-	-
Tertiary and Roughing Tower Pumps Rehabilitation (Construction)	50,000	50,000	50,000	\$50,000	\$50,000	\$50,000
Nitrification Towers Rehabilitation Project (Construction)	-	-	-	15,000,000	-	-
Secondary Clarifier Replacement (Construction)	-	-	-	-	7,000,000	-
Digester Demo	-	-	500,000	-	-	-
Retention Basin (Construction)	-	-	-	-	20,000,000	-
Sludge Dryer (Construction)	-	-	-	-	-	5,000,000
Subtotal	\$10,050,000	\$10,600,000	\$730,000	\$15,050,000	\$27,050,000	\$5,050,000
Plus: Inflation Allowance (5%)	502,500	530,000	74,825	2,372,256	5,829,444	1,395,222
Total Capital Improvements	\$10,552,500	\$11,130,000	\$804,825	\$17,422,256	\$32,879,444	\$6,445,222
6 Year Total						\$79,234,247
Cash funded - depreciation expense and contributions	\$414,000	\$739,000	\$804,825	\$914,000	\$937,694	\$962,099
Bond funded	10,138,500	10,391,000	-	16,508,256	31,941,750	5,483,123
2025 bond issue	\$20,529,500					
2028 bond issue				\$53,933,129		
Rounded	\$21,000,000			\$54,000,000		

Project Name/Description	2025	2026	2027	2028	2029	2030
Sanitary Sewer Interceptor (Construction/Maintenance)	-	-	-	\$1,800,000	\$1,800,000	-
Sanitary Sewer Rehab - Open Cut (Construction/Maintenance)	\$400,000	\$400,000	\$400,000	400,000	400,000	\$400,000
Sanitary Sewer River Crossing at M-52 Bridge (Construction/Maintenance)	50,000	-	-	750,000	750,000	-
Sub-totals	450,000	400,000	400,000	2,950,000	2,950,000	400,000
Plus: Inflation Allowance (5%)	22,500	20,000	41,000	464,994	635,743	110,513
Total Capital Improvements	<u>\$472,500</u>	<u>\$420,000</u>	<u>\$441,000</u>	<u>\$3,414,994</u>	<u>\$3,585,743</u>	<u>\$510,513</u>
6 Year Total						<u>\$8,844,750</u>
Cash funded	\$472,500	\$420,000	\$441,000	\$463,050	\$486,203	\$510,513
Bond funded				2,951,944	3,099,540	

Water Main Break History – 2000 to 2025



- Water Plant and Water Mains: \$119,688,288
- Wastewater Plant: \$79,234,247
- Sewer Collection: \$8,844,750

- **TOTAL** **\$207,767,285**

Rates Required	Avg Bill (18 units)	\$ per Gal
Owosso (current)	\$266.29	\$0.02
Owosso (2026)	\$353.15	\$0.026
Owosso (2027)	\$455.25	\$0.034
Owosso (2028)	\$570.73	\$0.042
Owosso (2029)	\$649.45	\$0.048
Owosso (2030)	\$710.33	\$0.053

Comparable	\$/gal
Bottled water	\$9.60
Jug of water	\$1.39
Water Cooler Service	\$2.50
Owosso City Water	\$0.02