

OWOSSO CITY COUNCIL

MARCH 6, 2006

7:30 P.M.

PRESIDING OFFICER: MAYOR LINDA L. ROBERTSON

OPENING PRAYER: CITY MANAGER GREGG G. GUETSCHOW

PLEDGE OF ALLEGIANCE: MAYOR LINDA L. ROBERTSON

PRESENT: Mayor Linda L. Robertson, Mayor Pro-Tem Mark D. Owen, Councilpersons Michael E. Bruff, Michael N. Cline, Joane E. Ford, Matthew B. Harvey, and Justin R. Horvath.

ABSENT: None.

APPROVE AGENDA

Motion by Councilperson Harvey to approve the Agenda as presented with the following change to the Consent Agenda: #6 Sole Source Purchase to become Item of Business #5. Motion supported by Mayor Pro-Tem Owen and concurred by unanimous vote.

APPROVE MINUTES – FEBRUARY 6, 2006

Motion by Councilperson Horvath to approve the Minutes of the Regular Meeting of February 21, 2006 as presented, with the following correction. The roll call vote for Item of Business #4 Water and Sewer Connection Charges should read as follows:

Roll Call Vote.

AYES: Councilpersons Harvey, Bruff, Ford, and Mayor Robertson.

NAYS: Councilperson Horvath, Mayor Pro-Tem Owen, and Councilperson Cline.

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

SPECIAL PRESENTATION

Public Safety Director Michael T. Compeau presented Tara Beacham with a Certificate of Appreciation recognizing her for her efforts in the recent apprehension of murder suspects.

Mayor Robertson commented on Ms. Beacham's courageous response.

CITIZEN COMMENTS

Gary Martenis, 705 Lingle Avenue, commented on the organizing of a grass roots effort to keep Holman Pool open.

L. Robert Ardelean, 2200 North M-52, made a donation to the City.

Kevin Michael Brown, 217 Curwood Castle Drive, commented on specific fund raising efforts for the pool.

Kimberly Staples, 501 South Shiawassee Street, commented on specific fund raising efforts for the pool.

James Howe, 1438 West North Street, commented on Holman Pool.

Shelva Cebulski, 1243 Marion Street, commented on tree trimming and trees on her property.

City Manager Guetschow commented on plans for tree planting this year.

Public Works Director Jelinek commented on the process for cutting down City trees.

Jeremy Ergen, 707 Lynn Street, commented on flooding in his yard.

City Manager Guetschow commented on drainage issues.

Building Official Archer commented on drainage issues.

Mayor Robertson inquired as to a time frame for installation of a larger drain.

City Engineer Baker commented on cost and budget issues.

Dan Vargas, 709 Lynn Street, commented on drainage problems in his yard and inquired about tree stump removal.

Tom Ford, 649 Adams Street, commented on alternative sources of funding for the pool.

City Manager Guetschow commented on alternative sources of funding for the pool.

Eddie Urban, 601 Glenwood Avenue, commented on selling City properties and funding for the pool.

CONSENT AGENDA

Motion by Councilperson Ford to approve the Consent Agenda as follows:

Special Assessment District No. 2006-01. Authorized Resolution No. 4 setting a public hearing for April 3, 2006 to receive citizen comment regarding Special Assessment District No. 2006-01 for Lansing Street from a point 66' south of Bradley Street to North end for street reconstruction as follows:

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of the public improvements more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on Monday, April 3, 2006 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in the *Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.
4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF HEARING TO REVIEW
SPECIAL ASSESSMENT ROLL
CITY OF OWOSSO
COUNTY OF SHIAWASSEE, MICHIGAN

TO THE OWNERS OF THE OF THE FOLLOWING DESCRIBED PROPERTY:

LANSING STREET FROM A POINT 66' SOUTH OF BRADLEY STREET TO NORTH
END

TAKE NOTICE that a Special Assessment roll has been prepared for the purpose of defraying the Special Assessment district's share of the cost of the following described public improvements: Street Reconstruction.

The said Special Assessment roll is on file for public examination with the City Clerk and any objections to said Special Assessment roll must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment roll.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on Monday, April 3, 2006 for the purpose of reviewing said special assessment roll and for the purpose of considering all objections to said roll submitted in writing.

Special Assessment District No. 2006-02. Authorized Resolution No. 4 setting a public hearing for April 3, 2006 to receive citizen comment regarding Special Assessment District No. 2006-02 for River Street from M-52 (Shiawassee Street) to Cedar Street for street reconstruction as follows:

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of the public improvements more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on Monday, April 3, 2006 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in the *Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.
4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF HEARING TO REVIEW
SPECIAL ASSESSMENT ROLL
CITY OF OWOSSO
COUNTY OF SHIAWASSEE, MICHIGAN

TO THE OWNERS OF THE OF THE FOLLOWING DESCRIBED PROPERTY:

RIVER STREET FROM M-52 (SHIAWASSEE STREET) TO CEDAR STREET

TAKE NOTICE that a Special Assessment roll has been prepared for the purpose of defraying the Special Assessment district's share of the cost of the following described public improvements: Street Reconstruction.

The said Special Assessment roll is on file for public examination with the City Clerk and any objections to said Special Assessment roll must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment roll.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on Monday, April 3, 2006 for the purpose of reviewing said special assessment roll and for the purpose of considering all objections to said roll submitted in writing.

Special Assessment District No. 2006-03. Authorized Resolution No. 4 setting a public hearing for April 3, 2006 to receive citizen comment regarding Special Assessment District No. 2006-03 for River Street from Cedar Street to Lansing Street for street reconstruction as follows:

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of the public improvements more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on Monday, April 3, 2006 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in the *Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as

shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.

4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF HEARING TO REVIEW
SPECIAL ASSESSMENT ROLL
CITY OF OWOSSO
COUNTY OF SHIAWASSEE, MICHIGAN

TO THE OWNERS OF THE OF THE FOLLOWING DESCRIBED PROPERTY:

RIVER STREET FROM CEDAR STREET TO LANSING STREET

TAKE NOTICE that a Special Assessment roll has been prepared for the purpose of defraying the Special Assessment district's share of the cost of the following described public improvements: Street Reconstruction.

The said Special Assessment roll is on file for public examination with the City Clerk and any objections to said Special Assessment roll must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment roll.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on Monday, April 3, 2006 for the purpose of reviewing said special assessment roll and for the purpose of considering all objections to said roll submitted in writing.

Special Assessment District No. 2006-05. Authorized Resolution No. 4 setting a public hearing for April 3, 2006 to receive citizen comment regarding Special Assessment District No. 2006-05 for Water Street from King Street to Galusha Street for street reconstruction as follows:

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the cost of the public improvements more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on Monday, April 3, 2006 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in the *Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.
4. The notice of said hearing to be published and mailed shall be in substantially the following form:

NOTICE OF HEARING TO REVIEW
SPECIAL ASSESSMENT ROLL
CITY OF OWOSSO
COUNTY OF SHIAWASSEE, MICHIGAN

TO THE OWNERS OF THE OF THE FOLLOWING DESCRIBED PROPERTY:

WATER STREET FROM KING STREET TO GALUSHA STREET

TAKE NOTICE that a Special Assessment roll has been prepared for the purpose of defraying the Special Assessment district's share of the cost of the following described public improvements: Street Reconstruction.

The said Special Assessment roll is on file for public examination with the City Clerk and any objections to said Special Assessment roll must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment roll.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on Monday, April 3, 2006 for the purpose of reviewing said special assessment roll and for the purpose of considering all objections to said roll submitted in writing.

Bid Award. Accepted bid of Signature Ford for two one-ton pickups in the amount of \$17,596.00 each.

Planning Commission Referral. Referred to the Planning Commission a request from Karebru, LLC. to rezone the parcel at 720 South Chipman Street from B-1 Local Business District to B-4 General Business District.

Boards and Commissions Appointment. Approved mayoral appointment of Scott Newman to the Owosso Historical Commission for a term expiring December 31, 2008.

Motion supported by Councilperson Harvey.

Roll Call Vote.

AYES: Councilpersons Horvath, Harvey, Bruff, Mayor Pro-Tem Owen, Councilpersons Cline, Ford and Mayor Robertson.

NAYS: None.

ITEMS OF BUSINESS

ALLEY DEDICATION AS PUBLIC RIGHT OF WAY

Motion by Mayor Pro-Tem Owen to accept alley in the 700 block of River Street as public right-of-way into City of Owosso jurisdiction and control outlined by City Engineer as follows:

WHEREAS, the City of Owosso is agreeable to accepting jurisdiction of the following described alley in the 700 block of River Street for the purposes of a right-of-way for public street and utilities:

Part of the Southwest 1/4 of Section 13, T7N-R2E, City of Owosso, Shiawassee County, Michigan, described as beginning at a point that is N00°18'14"E on the North and South 1/4 line of said Section 13 a distance of 684.45 feet and N89°18'03"W the North line of River Street a distance of 830.18 feet from the South 1/4 corner of said Section 13; thence continuing N89°18'03"W 14.00 feet; thence N01°05'03"E 192.00 feet; thence S89°18'03"E 14.00 feet; thence S01°05'03"W 192.00 feet to the point of beginning.

WHEREAS, the City's jurisdiction of the alley in the 700 block of River Street will include the control of the roadway, trees, water mains, water services from the main to the shutoffs, and sanitary sewer main within the street right-of-way.

NOW, THEREFORE, BE IT RESOLVED THAT the City of Owosso, Shiawassee County, Michigan does hereby accept jurisdiction of the alley in the 700 block of River Street as a right-of-way for public street utilities for the City of Owosso.

BE IT FURTHER RESOLVED THAT the City Clerk is hereby directed to provide the Shiawassee County Register of Deeds, the Treasurer of the State of Michigan, and the Owosso City Assessor and City Engineer with a certified copy of the resolution within thirty (30) days of its adoption. Motion supported by Councilperson Bruff.

Roll Call Vote.

AYES: Councilpersons Bruff, Ford, Mayor Pro-Tem Owen, Councilpersons Harvey, Cline, Horvath, and Mayor Robertson.

NAYS: None.

MAGNET AGREEMENT

There was general Council discussion regarding recovered monies returning to City coffers, forfeitures covering MAGNET expenses, contributions of participating entities, the role of the fiduciary, altering City participation in the agreement, and staffing concerns in relation to the agreement.

Motion by Councilperson Ford to approve the following resolution:

RESOLUTION AUTHORIZING ADOPTION OF A NEW INTERLOCAL AGREEMENT FOR THE MAGNET SQUAD

WHEREAS, The City of Owosso participates with Shiawassee County, Gratiot County, the City of Alma, the City of St. Louis, and the Michigan State Police in the MAGNET Narcotics Squad: and

WHEREAS, the Attorney General’s Office and Counsel for the participating entities are recommending that the current contracts by the participating entities should be voided and replaced by a new agreement that better meets the requirements of the Urban Cooperation Act. MCL 124.501 et seq: and

WHEREAS, the new agreement also formally establishes a Contingency Fund that shall not exceed 1 1/2 times the prior year MAGNET Narcotics Squad budget.

THEREFORE BE IT RESOLVED, that the Owosso City Council hereby adopts the attached Interlocal Agreement for the MAGNET Narcotics Squad which supersedes all current contractual agreements effective and subject to the agreement being approved and signed by the other participating entities including Shiawassee County, Gratiot County, the City of Alma, the City of St. Louis, and the Michigan State Police.

**INTERLOCAL AGREEMENT
FOR
MID-MICHIGAN AREA GROUP
NARCOTICS ENFORCEMENT TEAM**

WHEREAS, the participating entities, the Michigan Department of State Police, Gratiot County, Shiawassee County, City of Alma, City of Owosso, and the City of St. Louis enter into this agreement pursuant to the Urban Cooperation Act, MCL 124.501 et seq.;

WHEREAS, the participating entities are desirous of establishing a cooperative task force by combining their investigative services, manpower, and/or resources for the purpose of enforcing narcotic and/or controlled substance laws and deterring related criminal activity; and

WHEREAS, the participating entities do not intend by this agreement to establish this task force or its command board as a separate legal or administrative entity under Section 7 (1) of the Urban Cooperation Act, MCL 124.507 (1) and have not therefore provided for or otherwise established such an entity by the terms of this agreement.

THEREFORE, in consideration of the mutual interest, obligations and promises herein contained, the participating entities hereto agree as follows:

ARTICLE I

OPERATIONAL PROCEDURES AND GUIDELINES

I. PURPOSE

The participating entities enter into this agreement to create the Mid-Michigan Area Group Narcotics Enforcement Team, hereinafter referred to as MAGNET, for the purpose of combining their efforts toward the enforcement of narcotic and controlled substance laws in the State of Michigan.

II. COMMAND BOARD

A Command Board shall be formed which will consist of the administrative heads, or their representatives, of the police agencies of the participating entities contributing law enforcement personnel to MAGNET, or meeting obligations of an “additional participating entity” as established herein. The Command Board will also include the administrative head, or representative, of the police agency of the City of St. Louis, a participating entity that is also the Fiduciary for this

agreement. The Command Board shall meet on matters concerning the day to day operations of the team. A quorum shall consist of a simple majority of the members present and voting.

III. OPERATION POLICIES AND PROCEDURES

The Command Board shall adopt by-laws for the operational policies and procedures to be implemented and followed by MAGNET.

IV. PERSONNEL AND COMPENSATION

All participating entities, except the City of St. Louis, shall maintain at least one (1) full time police officer assigned to MAGNET for the purpose of enforcing narcotic and/or controlled substance laws and other laws prohibiting criminal activity.

Each law enforcement officer assigned to MAGNET by his/her participating entity's police agency shall remain an agent of that participating entity's police agency. Said participating entity and officers assigned to MAGNET agree to conform to all operating procedures established by MSP, Special Investigative Division Policy Book, specifically including but not limited to, the handling of narcotic cases, confidential informants, evidence, and forfeiture procedures.

Personnel costs for sworn law enforcement officers assigned to MAGNET, including wages, overtime, insurance, and other fringe benefits shall be provided for and paid by the participating entity supplying such personnel.

V. COMMANDER

The Michigan Department of State Police shall appoint the MAGNET Commander who shall have the authority, as designated by the Department of State Police and the Command Board, to coordinate the operation of MAGNET. The Commander will arrange for the training of participating police personnel and for the filing of a quarterly report of MAGNET activity to each Command Board member. The Commander shall also arrange for the control and accounting of expenditures and property in accordance with accounting controls and policies that are or may be established by the Fiduciary.

VI. LIABILITY AND INSURANCE

Liability insurance and/or legal representation in civil suits for alleged tortious conduct and/or civil rights violations against MAGNET personnel, a participating entity, and/or a participating entity's representative on the Command Board is the individual responsibility of each participating entity and a participating entity may provide liability insurance and/or legal representation for itself, for its personnel on MAGNET and/or for its representative on the Command Board.

A judgment for actual and/or punitive damages resulting from a finding of tortious conduct or violation of civil rights, against a participating entity's personnel, a participating entity itself and/or a participating entity's representative on the Command Board, may be paid by the participating entity which supplied the personnel against whom a judgment entered and/or which appointed the representative against whom a judgment entered. No participating entity, MAGNET personnel or Command Board representative is liable for or required to satisfy a judgment against another participating entity, that entity's personnel on MAGNET or that entity's representative on the Command Board. Further, MAGNET shall not indemnify assigned personnel, a participating entity, or its appointed representative to the Command Board for any claim or judgement referred to herein.

VII. JURISDICTION

Any duly sworn police officer, while assigned to MAGNET and while working in furtherance of the purposes and activities of MAGNET, shall have the same powers, duties, privileges and immunities as are conferred upon him/her as a police officer in his/her own jurisdiction, and in any jurisdiction within the State.

ARTICLE II

FORFEITURE PROCEDURES AND DISPOSITION OF PROPERTY SEIZED

I. FORFEITURES PURSUANT TO THE CONTROLLED SUBSTANCE ACT

All property seized by MAGNET pursuant to MCL 333.7521 et seq., as amended, shall be maintained and handled pursuant to Michigan State Police guidelines under Michigan State Police Department policies, and will be recorded on the prescribed MSP forms. Property will be controlled, inspected, and disposed of according to MSP procedures.

When property is seized pursuant to said forfeiture act, an officer assigned to MAGNET seizing the property shall use the standard Michigan State Police Narcotics Forfeiture Forms. The Michigan State Police will be the Quartermaster and custodian of all property seized by MAGNET, except money that is not evidence, and will receive and maintain said seized property under MSP policies.

In the event that property seized by MAGNET is subsequently forfeited to the Command Board, the property will be disposed of in accordance with MCL 333.7524. All property forfeited to the Command Board and the proceeds from the sale of said property shall be used to enhance law enforcement efforts pertaining to the Controlled Substance Act.

In the event that it is necessary to file judicial forfeiture proceedings, the Gratiot/Shiawassee County Prosecutor shall file forfeiture proceedings for property seized by MAGNET. Said forfeiture proceedings shall be instituted in the name of the Gratiot/Shiawassee County Prosecuting Attorney.

The Gratiot/Shiawassee County Prosecuting Attorney, by and through his/her designated assistant prosecuting attorney, working in conjunction with the MAGNET Commander, shall have the authority to establish sale prices, negotiate real estate transactions, accept bids, make counter-offers, sign deeds and other documents associated with the sale of real estate forfeited to the Command Board.

II. CUSTODIAN OF SEIZED AND FORFEITED MONIES AND PROPERTY

The City of St. Louis shall serve as Fiduciary being the custodian of all seized and forfeited monies for purposes stated under MCL 333.7524. For the purposes of this agreement, the term "Fiduciary" shall be synonymous with "the entity having budgetary authority." All such money received by the Fiduciary shall be placed in a "Drug Law Enforcement Fund." The Fiduciary shall establish two such accounts: (1) A "Pending" non-adjudicated forfeiture account in which shall be placed all seized (except evidence) monies prior to settlement or judicial adjudication. Monies shall not be disbursed from said "Pending" account unless the Fiduciary receives an Administrative Order, a Stipulation of Out-of-Court Settlement, a Judgment of Forfeiture, or a Court Order authorizing the release of said monies; (2) A "Revenue" account which shall contain forfeited monies, proceeds from the sales of forfeited real and personal property, a court ordered restitution receipts, and any other miscellaneous income received by MAGNET.

Property forfeited to the Drug Law Enforcement Fund being held on behalf of MAGNET by the City of Saint Louis pursuant to this agreement and used by MAGNET to enhance drug law enforcement shall be inventoried and otherwise accounted for by the Fiduciary on an ongoing basis. The inventory of said property shall be conducted by the MAGNET Unit Commander and updated as property is added or deleted. The Unit Commander shall provide the inventory information to the Fiduciary and will cooperate in/with a quarterly reconciliation and/or verification of inventory amounts by the Fiduciary.

All existing funds and/or property in the possession of MAGNET shall be transferred and utilized pursuant to and in accordance with the terms of this Agreement.

III. DUTIES AND FUNCTIONS OF THE FIDUCIARY

The City of St. Louis, as Fiduciary, shall perform those functions and exercise those powers and responsibilities set forth at MCL 333.7524 and is to receive funds obtained pursuant to MCL 333.7524, but only for the purposes specified under this agreement.

The Fiduciary, as the custodian of the seized funds not held as evidence, and forfeited funds and property, shall comply with the terms of MCL 333.7524a with respect to the annual reports and audits required under that statute which pertain to the receipt and disbursement of forfeited property. Audit findings shall be submitted to each of the participating entities under this agreement. Costs associated with Fiduciary's duties related to the actual cost of audit are eligible for reimbursement from MAGNET funds. Additional in-kind costs of administration and accounting

are not eligible for reimbursement from MAGNET funds; however, may be reflected in the financial statements to represent the value of the contribution of such services.

The Unit Commander shall prepare a proposed budget with line item description of the anticipated revenues and expenses for the ensuing fiscal year (July 1 to June 30). The proposed budget shall include proposed allocation in response to requests for law enforcement support from each participating entity. Upon approval of said proposed budget by the MAGNET Command Board, the Unit Commander shall submit the proposed budget to each participating entity in February each year. The Command Board shall consider any comments to the proposed budget that may be made by any of the participating entities and shall forward a final proposed budget to the Fiduciary in March each year. This final proposed budget will be adopted by the City of Saint Louis, at the legal level of adoption employed for other Special Revenue Funds, no later than its first scheduled council meeting in June each year and submit the same to the participating entities for informational purposes.

Notwithstanding any contrary provision, the Fiduciary is to adopt a budget which provides for the payment of budgeted expenses from the drug forfeiture property received pursuant to MCL 333.7524 and within the anticipated revenues and beginning balance of the fund prior to the expenditure of monies.

Payments for budgeted expenses shall be made after appropriate documentation verifying the expenditures is received and approved by the Fiduciary.

ARTICLE III

WITHDRAWAL; TERMINATION

I. WITHDRAWAL FROM AGREEMENT

Any participating entity may withdraw from this agreement by providing not less than thirty (30) days prior written notice to each of the participating entities. The agreement may be terminated by joint action of all the participating entities at any time.

II. DISTRIBUTION OF FORFEITURE ASSETS UPON WITHDRAWAL

In the event that any participating entity withdraws from this agreement, any team assets which have been retained by the Fiduciary shall remain in the custody of the Fiduciary for the continued operation of MAGNET.

III. DISTRIBUTION OF FORFEITURE ASSETS UPON TERMINATION

In the event of a complete termination of this agreement, any remaining assets shall be distributed to each of the participating entities and shall otherwise be in accordance with MCL 333.1524 That distribution shall be proportionate to the costs of full-time and/or part-time employee positions allocated, less grant funding if any, plus the proportionate amount of funds provided, if any, to the cooperative drug law enforcement effort in the preceding twenty-four (24) months by participating entities.

ARTICLE IV

FUNDING AND REIMBURSEMENTS

I. REIMBURSEMENTS

At the end of each fiscal year, any additional forfeiture revenues over and above the sum required for the next fiscal year operating, shall be returned by the City of St. Louis to Gratiot County, Shiawassee County, City of St. Louis, City of Alma, City of Owosso, Michigan State Police, and any other participating entities that provide personnel based upon the percentage of their contribution for that fiscal year of law enforcement support personnel, contributing grant match, and appropriated funds for operational expenses, provided that funds shall be retained by the City of St. Louis in an amount that shall not exceed 1 1/2 times the prior year MAGNET budget. Forfeiture funds returned to the participating entities are forfeiture revenues and must be used in accordance with MCL 333.7524.

ARTICLE V

ADDITIONAL ENTITIES; AMENDMENTS

I. ADDITION OF PARTICIPATING ENTITIES TO THIS AGREEMENT

A public agency, which meets the definition of a public agency in Section 2(e) of the Urban Cooperation Act, MCL 124.502 (e) and has law enforcement powers, may join in this agreement, without amendment, by having its authorized representative execute and date a signature page to this agreement in the form of Attachment No. 1, provided that such addition is approved in writing on the signature page by representatives of each of the current participating entities. The executed signature page shall be filed with the Office of the Great Seal of the Michigan Department of State and with the county clerks of each county of the participating entities of the Mid-Michigan Group Narcotics Enforcement Team (MAGNET) and upon such filing the addition of such public agency as a participating entity to this agreement shall be effective.

II. AMENDMENTS

Other amendments to this interlocal agreement may be made upon approval of all participating entities and signatures of the appropriate representative of each said participating entity. Any amendment, other than the addition of a participating entity, shall be processed and filed in the same manner as the original interlocal agreement, including submission of the amendment to the Governor for review and approval.

In either of the above situations, a new interlocal agreement would not be required.

Motion supported by Councilperson Horvath.

Roll Call Vote.

AYES: Mayor Pro-Tem Owen, Councilpersons Cline, Bruff, Ford, Horvath, Harvey, and Mayor Robertson.

NAYS: None.

NORTH BALL STREET PARKING MODIFICATION

There was general Council discussion regarding the loan to the DDA, the project as a condition of purchase, the need for City Council Approval of the project, the age of the sidewalk in the project area, the source of funding, similar projects, keeping building attributes, objections to the project (including a letter from the owners of 128 North Ball Street), the need for more parking, and the distance between parked cars and buildings.

Motion by Councilperson Ford to authorize the project subject to the Downtown Development Authority's execution of a Promissory Note and further authorize the Development Agreement with the Buyer of the building at 114-122 West Main Street as follows:

DEVELOPMENT AGREEMENT

This Development Agreement is entered into this _____ day of _____, 2006, between the City of Owosso, a Michigan municipal corporation, of 301 West Main Street, Owosso, Michigan 4867 ("City") and _____ ("Buyer").

WHEREAS Buyer proposes to own the real property described in Exhibit A ("the premises") with the street address of 114-122 West Main Street in the City of Owosso, and the City controls the public Right-of-Way at Ball Street, owns the parking lot in the 100 block of North Ball Street and the parties wish to establish terms for a mutual investment for the improvement of parking in the 100 block of North Ball Street shown at Exhibit B; and

WHEREAS the City will advance the costs of the improvements described herein and expect repayment by the Owosso Downtown Development Authority of such costs as memorialized in a separate agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE CITY'S INVESTMENT IN PARKING MODIFICATIONS ON NORTH BALL STREET AND BUYER'S PURCHASE AND INVESTMENT IN 114-122 WEST MAIN STREET, IT IS HEREBY AGREED AS FOLLOWS:

1. If Buyer agrees to proceed with the development of the premises at 114-122 West Main Street, City will undertake the construction of the parking improvements in the 100 block of North Ball Street, shown in Exhibit B ("the work") with construction phases and costs detailed in

Exhibit C. The duty of the City to proceed with the improvements is conditioned upon the lack of interference or litigation of third parties objecting to the improvements. If third parties interfere or litigate in any way the terms of this Development Agreement, the City shall have no duty to proceed.

2. The term of this Development Agreement shall be nine (9) months beginning with the date of the execution of this agreement. This Development Agreement may only be extended by mutual written agreement of the parties.

3. It is understood between the parties that the City Council of the City of Owosso must approve the Development Agreement.

4. Buyer shall acquire the premises at least six (6) weeks prior to expiration of the nine (9) months described in paragraph 2. The City shall commence work after Buyer acquires the property and provides evidence to the City of sufficient funds secured to the project to pay the costs of Buyer's responsibilities listed in Exhibit D.

5. Buyer understands that work described in Exhibit D constitutes activity that requires compliance with the standards of the Construction Codes of the City of Owosso.

6. Each party agrees to hold the other harmless from any and all claims arising from the activities of the party conducted pursuant to this Development Agreement.

7. It is mutually understood between the parties that the cost estimates in Exhibit D reflect the best information available to the City at the time of this Agreement's preparation. Buyer agrees to pay any costs for construction of the work in excess of the estimates for the foundation wall and weep drain shown in Exhibit D.

8. Except where Buyer's costs are noted, City agrees to pay any costs in excess of the estimate shown in Exhibit C to accomplish the improvements to the parking modifications in the 100 Block of North Ball Street.

9. City commits to commencing the work at the time the terms of Paragraph 3 and 4 are successfully accomplished. The schedule detailed in Exhibit C shall begin at that time unless delayed due to weather conditions.

10. This Development Agreement contains the entire agreement between the parties. There are no representations or terms between the parties other than those stated in this Development Agreement.

11. This Development Agreement gives Buyer no additional rights other than those stated herein. Buyer shall comply with all applicable ordinances and statutes and any amendments thereto with respect to its ownership of the premises.

12. If either party breaches this agreement for a period in excess of ten (10) days, the duties of the other party shall terminate and the non-defaulting party shall have all remedies provided by law.

13. This Development Agreement may only be amended by written mutual agreement of the parties.

Motion supported by Mayor Pro-Tem Owen.

Roll Call Vote.

AYES: Councilpersons Bruff, Harvey, Mayor Pro-Tem Owen, Councilpersons Horvath, Ford, and Mayor Robertson.

NAYS: Councilperson Cline.

*Clerk's Note: Complete copies of this agreement are on file in the Clerk's Office.

AMENDMENTS TO PERSONNEL POLICY MANUAL

Motion by Mayor Pro-Tem Owen to approve changes to the Personnel Policy Manual as presented with a correction to "Health Insurance" page 29. The correction to read as follows, with the correction underlined: "hospitalization benefit coverage for the Employee and his/her family, with a \$150.00 reimbursement for the single deductible..."

Motion supported by Councilperson Bruff.

Roll Call Vote.

AYES: Councilpersons Ford, Mayor Pro-Tem Owen, Councilpersons Cline, Bruff, Horvath, Harvey, and Mayor Robertson.

NAYS: None.

*Clerk's Note: Complete copies of the Personnel Policy Manual are on file in the Clerk's Office.

SOLE SOURCE PURCHASE

There was discussion regarding bidding vs. sole source purchasing, product attributes and history, reduction in price charged to the City, and the source of funding for the product.

Motion by Councilperson Cline to waive bid irregularities and approve sole source purchase from Medlar Electric for one Cutler Hammer variable frequency drive in the amount of \$9,108.

Motion supported by Mayor Pro-Tem Owen.

Roll Call Vote.

AYES: Councilpersons Ford, Cline, Harvey, Mayor Pro-Tem Owen, Councilpersons Bruff, Horvath, and Mayor Robertson.

NAYS: None.

COMMUNICATIONS

Larry D. Cook, City Assessor. Memo regarding assessment changes for 2006.
Downtown Development Authority. Minutes of Meeting of March 1, 2006.
Owosso Planning Commission. Minutes of Meeting of February 27, 2006.
Owosso Zoning Board of Appeals. Minutes of Meeting of February 21, 2006.

Councilperson Bruff commented on the Downtown Development Authority minutes.

Councilperson Cline commented on the recent Zoning Board of Appeals meeting.

CITIZEN COMMENTS

Gary Martenis, 705 Lingle Avenue, commented on the alley behind his home.

City Manager Guetschow commented on paving alleys.

City Engineer Baker commented on the cost of paving alleys.

Jeremy Ergen, 707 Lynn Street, commented on alternative sources of funding for the pool and the possibility of keeping unlicensed vehicles.

Public Safety Director Compeau commented on the annual bike auction.

Mayor Pro-Tem Owen commented on the search for junk cars and a permit process for storing junk cars.

City Manager Guetschow commented on proper storage of junk vehicles.

Building Official Archer commented on proper storage of junk vehicles and building codes.

Mayor Robertson commented on temporary storage structures.

Patty Howard, 910 Beehler Street, commented on funding for Holman Pool, staffing cuts, and cutting down trees.

City Manager Guetschow commented on funding for Holman Pool, the funding structure of the City, and tree planting for this year.

Mayor Robertson commented on the funding structure of the City and reasons for restrictions.

Councilperson Bruff commented on MIOSHA requirements for the Department of Public Works.

Eddie Urban, 601 Glenwood Avenue, inquired as to the status of a house seized by police.

Building Official Archer commented on the rehabilitation of the property.

Burton Fox commented on the junk vehicle ordinance, the Woodard building and personal property tax abatements.

City Manager Guetschow commented on personal property tax abatements.

Mayor Pro-Tem Owen commented on downtown sidewalks.

City Manager Guetschow commented on the inspection system for sidewalks and liability for tripping hazards.

Public Works Director Jelinek commented on checking sidewalks and projects to remove tripping hazards in the downtown.

Councilperson Bruff commented on the iron grates under some trees downtown.

Councilperson Cline commented on the James Miner walkway.

Mayor Robertson inquired as to the time frame when South M-52 would be reconstructed.

City Engineer Baker commented on the time frame for reconstruction of South M-52.

ADJOURNMENT

Motion by Mayor Pro-Tem Owen, supported by Councilperson Harvey for adjournment at 9:02 p.m. and concurred in by unanimous vote.

Linda L. Robertson, Mayor

Amy K. Kohagen, Deputy City Clerk