

OWOSSO CITY COUNCIL

JANUARY 29, 2007

7:34 P.M.

PRESIDING OFFICER: MAYOR LINDA L. ROBERTSON

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, and Matthew B. Harvey.

ABSENT: Councilperson Justin R. Horvath.

CITIZEN COMMENTS AND QUESTIONS

Wayne Swiney, 509 Genesee Street, inquired about lighting at the Woodard Station Lofts development.

DISCUSSION – UTILITIES

City Manager Guetschow introduced the topics for the evening and indicated the objective for the meeting was to develop long term goals.

Water and Sewer Rate Increases: Utilities Director Burk detailed upcoming water projects such as well improvements, transmission grid improvements, and a radio read water metering system. He indicated that due to cost some projects will be coming out of the water fund balance. He cautioned against using fund balance for regular water main replacement indicating a raise in water and sewer rates would be a more fiscally sound decision. He also detailed current and future wastewater treatment and sewer projects such as the revamping of the Mid-County Wastewater Treatment Plant and the Sanitary Sewer Overflow Program, indicating both projects are mandatory and would be costly. He indicated money generated by increased sewer rates could be saved for the WWTP revamping to prevent debt service costs when the time of the project comes. Grant funding is currently in use to mitigate sanitary sewer overflow program costs. Overall he indicated the utilities department has tried diligently to cut costs through the use of more efficient equipment, keeping fewer personnel and contracting out for some services, but cost cutting measures were becoming few and a raise in rates or a reduction in maintenance would be necessary to balance the budget. He also reminded the Council of the value of the services provided by City utilities. A definitive proposal will be forthcoming with the budget.

There was general discussion regarding the capacity of the water filtration plant, the capacity of the transmission grid, new service connections in the adjoining townships and the effects, if any, of the proposed ethanol plant in Corunna.

Street Condition Analysis: City Engineer Baker described the rating system used for street analysis, noting that street conditions had improved over the last few years. Past history shows that foregoing street maintenance does not save money due to the high cost of street reconstruction. He indicated the department has made every effort to reduce the cost of materials, to maintain streets for a longer period of time before reconstruction, to find less expensive methods of paving, and to seek grant funding for eligible street projects. He also indicated street reconstruction costs will increase greatly for the next year due to the reconstruction of the Oliver Street bridge.

Anticipated State Funding: Finance Director Williams indicated he was anticipating flat gas and weight tax revenues and a \$50,000 loss due to changes in the METRO Act. He also noted anticipation of further statutory revenue sharing funds and the possible loss of personal property tax revenue due to the abolishment of the SBT.

There was general discussion regarding a dedicated street millage, and the disadvantages of using grant funding for street projects.

Capital Outlays and Goals: Council did little to change the list of anticipated future capital outlay projects presented by City Manager Guetschow which included the following: the North Central Drain, the Chipman Drain, the Gute Drain, the Sanitary Sewer Overflow Program, the redevelopment of Cass Street, the development of a road to the old sugar beet plant, the loop trail, library expansion and Holman Pool reconstruction.

There was general discussion regarding seeking private funding for large capital outlay projects such as reconstruction of Holman Pool and library expansion. It was noted that current work on the Sanitary Sewer Overflow Program has been aided by grant funding and the construction of the road to the sugar beet factory would only be undertaken when a suitable candidate wishes to develop the property.

The Council also discussed establishing a rental inspection program, pursuing the technology sector, upgrading and promoting the downtown area, public safety department improvements,

joining the Westown and downtown business areas, and the need to concentrate on core services during economic downturns.

ADJOURNMENT

Motion by Councilperson Ford for adjournment at 9:45 p.m.

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

Linda L. Robertson, Mayor

Amy K. Kohagen, City Clerk