

**OWOSSO CITY COUNCIL**

**MAY 18, 2009**

**7:30 P.M.**

- PRESIDING OFFICER:** MAYOR MICHAEL E. BRUFF
- OPENING PRAYER:** VFW CHAPLAIN LARRY HARVEY
- PLEDGE OF ALLEGIANCE:** MAYOR PRO-TEM MARK D. OWEN
- PRESENT:** Mayor Michael E. Bruff, Mayor Pro-Tem Mark D. Owen, Councilpersons Michael N. Cline, Joni M. Forster, Benjamin R. Frederick, and Gary W. Martenis.
- ABSENT:** None.

**APPROVE AGENDA**

Motion by Councilperson Forster to approve the agenda as presented with the addition of a Presentation by Eddie Urban on behalf of the local chapter of the Disabled American Veterans.

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

**APPROVAL OF THE MINUTES OF REGULAR MEETING OF MAY 4, 2009**

Motion by Councilperson Forster to approve the Minutes of the Regular Meeting of May 4, 2009 as presented.

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

**SPECIAL PRESENTATION**

**PROCLAMATION – WILLIAM BLANCHETT**

Mayor Bruff read aloud the following Proclamation recognizing William Blanchett for his years of service to the City upon the occasion of his retirement:

**A Proclamation of the Mayor’s Office of the City of Owosso, Michigan  
Recognizing the Distinguished Public Service of**

**William G. Blanchett**

**WHEREAS**, William G. “Bill” Blanchett began his service to the City of Owosso as a law enforcement officer in July of 1977 and was promoted to sergeant in August of 2006; and

**WHEREAS**, Bill was a confident, knowledgeable, and prepared police officer; and

**WHEREAS**, Bill has displayed great loyalty and dedication to the City; taking on the challenge of the Sergeant’s position on short notice, changing shifts and rearranging his vacation, putting the needs of the Department before his own, and

**WHEREAS**, Bill was recognized for his exemplary service to the community a number of times throughout his career; including four Meritorious Service Awards and his selection as Employee of the Year in 2006; and

**WHEREAS**, it is the intent of this Office that Bill’s Dedicated and Distinguished Public Service be recognized.

**NOW, THEREFORE, BE IT PROCLAIMED** that I, Michael E. Bruff, Mayor of the City of Owosso, on behalf of the citizens of Owosso, hereby recognize and thank Bill for over 31 years of dedicated service to the Owosso community and further express our sincere wishes to Bill and his family for a long, healthy and happy retirement.

Proclaimed this 18<sup>th</sup> day of May, 2009.

**FISHING TOURNAMENT DONATION**

Eddie Urban, on behalf of Disabled American Veterans Chapter 63, presented Councilperson Cline with a \$25 donation for the youth fishing tournament.

**PUBLIC HEARINGS**

**SPECIAL ASSESSMENT DISTRICT NO. 2009-02**

**BALL STREET FROM JENNETT STREET TO GALUSHA STREET**

The Public Hearing was conducted to receive citizen comment regarding authorization of Resolution No. 5 for Special Assessment District No. 2009-02, for Ball Street from Jennett Street to Galusha Street for street reconstruction.

Shelva Cebulski, 1243 Marion Street, indicated the project was needed.

The following preamble and resolution were offered by Councilperson Martenis and supported by Councilperson Cline:

**RESOLUTION NO. 28-2009**

WHEREAS, the City Council has met, after due and legal notice, and reviewed the special assessment roll prepared for the purpose of defraying the special assessment district's share of the following described public improvement: Ball Street from Jennett Street to Galusha Street for street reconstruction, and

WHEREAS, there being no one to be heard and after carefully reviewing said special assessment roll the Council deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the benefits to be derived by the parcel of land assessed.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll as prepared by the City Assessor in the amount of \$18,419.64 is hereby confirmed and shall be known as Special Assessment Roll No. 2009-02.
2. Said special assessment roll shall be divided into ten (10) equal annual installments, the first of which shall be due and payable on September 1, 2009, and the subsequent installments shall be due on September 1st of each and every year thereafter. Payment of the amount of the special assessment may be made in full without interest or penalty by December 1, 2009.
3. The installments of the special assessment rolls shall bear interest at the rate of 8% per annum; provided, however, if the bonds are issued in anticipation of said special assessments, then such unpaid special assessment shall bear interest at a rate of interest equal to 1% above the average rate of interest borne by said bonds. Such interest shall commence on September 1, 2009 and shall be paid annually on each installment due date.
4. Said special assessment roll shall be placed on file in the office of the City Clerk who shall attach his warrant to a certified copy thereof within ten (10) days commanding the Assessor to spread the various sums shown thereon as directed by the City Council.

**SPECIAL ASSESSMENT DISTRICT NO. 2009-03**

**WATER STREET FROM GALUSHA STREET TO NORTH STREET**

The Public Hearing was conducted to receive citizen comment regarding authorization of Resolution No. 5 for Special Assessment District No. 2009-03, for Water Street from Galusha Street to North Street for street reconstruction.

There were no citizen comments.

The following preamble and resolution were offered by Councilperson Martenis and supported by Councilperson Forster:

**RESOLUTION NO. 29-2009**

WHEREAS, the City Council has met, after due and legal notice, and reviewed the special assessment roll prepared for the purpose of defraying the special assessment district's share of the following described public improvement: Water Street from Galusha Street to North Street for street reconstruction, and

WHEREAS, there being no one to be heard and after carefully reviewing said special assessment roll the Council deems said special assessment roll to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the benefits to be derived by the parcel of land assessed.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll as prepared by the City Assessor in the amount of \$42,739.62 is hereby confirmed and shall be known as Special Assessment Roll No. 2009-03.

2. Said special assessment roll shall be divided into ten (10) equal annual installments, the first of which shall be due and payable on September 1, 2009, and the subsequent installments shall be due on September 1st of each and every year thereafter. Payment of the amount of the special assessment may be made in full without interest or penalty by December 1, 2009.
3. The installments of the special assessment rolls shall bear interest at the rate of 8% per annum; provided, however, if the bonds are issued in anticipation of said special assessments, then such unpaid special assessment shall bear interest at a rate of interest equal to 1% above the average rate of interest borne by said bonds. Such interest shall commence on September 1, 2009 and shall be paid annually on each installment due date.
4. Said special assessment roll shall be placed on file in the office of the City Clerk who shall attach his warrant to a certified copy thereof within ten (10) days commanding the Assessor to spread the various sums shown thereon as directed by the City Council.

### **CITIZEN COMMENTS AND QUESTIONS**

Gary Bellinger, 806 South Saginaw Street, inquired about the policy regarding abandoned buildings and unmowed lawns. It was noted the City provides a notice to property owners allowing them time to clean up their property before City crews come in to perform the necessary work. He also indicated he felt the City needed to construct a skate park with lighting for the youth. It was noted the City has a skate park off Gould Street.

Sandy Harvey, 1398 North Hickory Street, indicated she would be arranging for a donation for the youth fishing tournament from the VFW Ladies Auxiliary.

Eddie Urban, 601 Glenwood Avenue, inquired if any citizen had spare lumber to repair the stands at the girl's softball diamonds on the north side of town.

Catherine Loxen, 1118 Palmer Avenue, indicated she was concerned about children using the library as she had discovered the viewing of pornographic pictures was allowed on library computers. Library staff explained to her the library cannot restrict access to such sites because it is the recipient of Federal funds. She asked Council if they could do anything about the situation. It was noted by legal counsel that the City Council has no jurisdiction over the District Library.

Councilperson Martenis thanked Mr. Bellinger for his comments, he noted there are policies in place to deal with unkempt properties. He also noted there is a skate park off Gould Street for the youth of the area. He encouraged Mr. Bellinger to attend a Parks and Recreation Commission meeting to lend his suggestions on youth recreation.

Building Official John F. Archer detailed the tall grass policy and updated the Council on the status of the burned out home near McDonalds.

Councilperson Frederick expressed his shock that Federal tax dollars were being used to subsidize the ability to access pornography on-line. He indicated he hoped it would be possible to filter out access to such sites at the library.

There was discussion regarding whether access to the sites was a First Amendment issue and what other communities do to handle this issue. It was noted again the library has its own board of directors and the City has no control over actions taken at the library.

Mayor Bruff noted he had received a letter from the St. Paul Catholic School kindergarten class requesting the establishment of a recycling program in town.

Councilperson Forster noted it is Community Pride Week and many activities will take place this week to beautify the City. Interested parties can contact City Hall for more information.

### **CITY MANAGER REPORT**

City Manager Joseph A. Fivas reported the successful unveiling of the Walk of History and the Sesquicentennial Celebration held last Saturday at Curwood Castle Park. He went on to note other events taking place during Community Pride Week including curbside brush pick up, the city wide yard sale and the rubbish and recycling event on Saturday the 23<sup>rd</sup>.

### **CONSENT AGENDA**

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

Boards and Commissions Appointment. Approved the Mayoral appointment of Eddie Urban to the Cable Access Advisory Commission for a term expiring June 30, 2010.

Warrant No. 384. Accepted Warrant No. 384 as follows:

Vendor	Description	Fund	Amount
Brown & Stewart, PC	Professional Services April 13, 2009 – May 11, 2009	General	\$9,949.16

Motion supported by Mayor Pro-Tem Owen.

Roll Call Vote.

AYES: Councilperson Martenis, Mayor Pro-Tem Owen, Councilpersons Frederick, Forster, Cline, and Mayor Bruff.

NAYS: None.

**ITEMS OF BUSINESS**

**CITY BUDGET ADOPTION**

City Manager Fivas thanked all the staff members involved in assembling the budget for their hard work. He noted there were a couple of amendments including the addition of match money for the COPS Grant approved at the April 20, 2009 meeting and the addition of funds to repair the retaining wall under the Main Street bridge. He went on to say the budget may need to be revisited throughout the coming year to deal with anticipated cuts in revenue sharing.

Motion by Councilperson Forster to adopt the General Appropriations Resolution approving the 2009-2010 City Budget and authorizing the levy of 13.4730 mills as follows:

**RESOLUTION NO. 30-2009  
GENERAL APPROPRIATIONS RESOLUTION -2009/10**

WHEREAS, pursuant to Chapter 8, Section 5 of the Owosso City Charter, the City Council has received the proposed budget for the fiscal year beginning July 1, 2009 and held a public hearing on May 4, 2009; and

WHEREAS, it is the intent of the City Council to levy ad valorem property and specific taxes for the general operating purposes of the City, for payment of principal and interest on voted indebtedness, and for special voted millage to support Shiawassee Area Transportation Authority, based on the budget summary for fiscal year 2009-10 attached hereto and made part of this resolution; and

WHEREAS, the general property tax laws, specifically, MCL 211.34(d) provide for a compound millage reduction calculation applied to the City Charter maximum authorized operating millage rate of fifteen mills per thousand of taxable value; and

WHEREAS, this millage reduction commonly known as the Headlee rollback results in a maximum operating millage rate of 13.0370 for which the City is authorized to levy; and

WHEREAS, the voters approved, by a majority, in an election held on November 6, 2007, a millage, not to exceed .25 mills per \$1,000 of taxable value to support public transportation; and

WHEREAS, the board of the Shiawassee Area Transportation Authority has requested funding from the City equating to a millage of .1372 mills per thousand of taxable value for which the City is authorized to levy; and

WHEREAS, it has been determined that a millage rate of .2988 mills is required for the annual debt service on unlimited general obligations bonds;

NOW THEREFORE, BE IT RESOLVED, that the tax levy for the fiscal year commencing July 1, 2009 shall be the rate of 13.4730 per 1,000 of taxable value of the 2009 assessment roll as approved by the Board of Review; and

The total levy shall be composed of the constituent rates for purposes and with revenue yields described as follows:

GENERAL OPERATING	13.0370	\$3,616,600
DEBT SERVICE	.2988	82,900
SATA	<u>.1372</u>	<u>38,050</u>
	13.4730	\$3,737,550

Motion supported by Councilperson Cline.

Roll Call Vote.

AYES: Councilperson Cline, Mayor Pro-Tem Owen, Councilpersons Frederick, Martenis, Forster, and Mayor Bruff.

NAYS: None.

**DOWNTOWN DEVELOPMENT AUTHORITY GENERAL APPROPRIATIONS RESOLUTION**

Motion by Councilperson Forster to adopt the following General Appropriations Resolution to authorize the levy of the Downtown Development Authority millage for the 2009-2010 fiscal year:

**RESOLUTION NO. 31-2009  
GENERAL APPROPRIATIONS RESOLUTION FOR  
DOWNTOWN DEVELOPMENT AUTHORITY-2009/10**

WHEREAS, the Authority board met to consider a proposed budget for fiscal year 2009-10, and after deliberations and public input approved a budget; and

WHEREAS, the Owosso City Council held a public hearing on the proposed budget on May 4, 2009; and,

WHEREAS, it is the intent of the Downtown Development Authority to levy a tax for general operating purposes pursuant to Public Act 197 of 1975 based on the budget summary attached hereto and made part of this resolution; and

WHEREAS, the general property tax laws, specifically MCL 211.34(d) provide for an annual compound millage reduction calculation applied to the maximum millage rate of two mills pursuant to MCL 125.1662; and

WHEREAS, the millage reduction commonly known as the "Headlee" rollback results in a maximum operating millage rate of 1.9484 for which the Authority is authorized to levy,

NOW THEREFORE, BE IT RESOLVED, that the tax levy for the fiscal year commencing July 1, 2009 shall be the rate of 1.9484 per \$1,000 of taxable value of the 2009 assessment roll for the district as approved by the Board of Review,

The levy will generate a revenue yield for operating purposes as follows:

GENERAL OPERATING	1.9484 MILLS	\$32,740
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Motion supported by Councilperson Martenis.

Roll Call Vote.

AYES: Councilperson Cline, Mayor Pro-Tem Owen, Councilpersons Frederick, Forster, Martenis, and Mayor Bruff.

NAYS: None.

**NEIGHBORHOOD REVITALIZATION PROGRAM ESTABLISHMENT**

City Manager Fivas indicated there had been discussion about this type of program for some time. He felt it was important to protect the value of the City's neighborhoods, especially in the next few years as foreclosures become more of a challenge. The program would utilize no General Fund monies but would be paid for with future grants. The corresponding Program Director position would entail seeking out grant funding to assist citizens in maintaining the value of their homes, coordinating the formation of neighborhood associations and administering the rental registration program. Lastly, he noted he hoped to begin implementation of the program by early July.

Motion by Councilperson Cline to approve the establishment of the Neighborhood Revitalization Program and corresponding Program Director position.

Motion supported by Councilperson Martenis.

Roll Call Vote.

AYES: Councilpersons Frederick, Martenis, Forster, Cline, Mayor Pro-Tem Owen, and Mayor Bruff.

NAYS: None.

**BONDING RESOLUTION**

City Manager Fivas noted the bonding request relates back to the Vibrant Small Cities Initiative Grant, with this bond providing some of the match monies needed to utilize the grant funds. He

went on to note the Downtown Development Authority would be responsible for paying the bond note and they have already planned for this expense in their 5-year budget.

Motion by Councilperson Martenis to approve a resolution authorizing the issuance and sale of General Obligation Limited Tax Bonds for capital improvements in an amount not to exceed \$950,000 as follows:

**RESOLUTION NO. 32-2009  
RESOLUTION AUTHORIZING ISSUANCE AND SALE OF  
2009 GENERAL OBLIGATION LIMITED TAX BONDS**

A RESOLUTION TO:

- Issue \$950,000 general obligation limited tax bonds for capital improvements;
- Pledge City full faith and credit for the payment of the Bonds;
- Create Debt Retirement Fund for payment of Bonds;
- Create Construction Fund for deposit of Bond proceeds;
- Authorize Publication of Notice of Sale;
- Delegate Sale of Bonds to Finance Director without further approval of City Council;
- Authorize other matters necessary to prepare for sale and delivery of Bonds.

**PREAMBLE**

WHEREAS, the City of Owosso, County of Shiawassee, Michigan (the "City") determines it to be necessary for the public health, safety and welfare of the City and its residents to acquire and construct various capital improvements including parking lot restoration and enhancements, street improvements, river trail development, upgrades to Curwood Castle Park, tree replacement, and armory development and other infrastructure improvements (collectively, the "Improvements"); and

WHEREAS, under the provisions of Section 517 of the Revised Municipal Finance Act, Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34") a City may issue municipal securities to pay the cost of any capital improvement items within the limitations provided by law; and

WHEREAS, as required by Section 517 of Act 34, the City published a Notice to Electors of Intent to issue bonds and right of referendum thereon in *The Argus-Press* on November 14, 2007 (the "Notice of Intent") which described issuance of bonds in one or more series in an aggregate amount not to exceed One Million Four Hundred Seventy-Five Thousand Dollars (\$1,475,000) for the purpose of financing costs of acquisition and construction of the Improvements, and no petition requesting a referendum on the question of the issuance of the Bonds was filed with the City Clerk; and

WHEREAS, the City proposes to issue the first series of the bonds described in the Notice of Intent in the principal amount of Nine Hundred Fifty Thousand Dollars (\$950,000) (the "Bonds"); and

WHEREAS, the aggregate outstanding balance of municipal securities issued under Section 517 of Act 34 by a city shall not exceed 5% of the state equalized valuation of the property assessed in that city, and the outstanding balance of all municipal securities issued under Section 517 of Act 34 by the City will not exceed this limit after the issuance of the Bonds; and

WHEREAS, Act 34 permits the City to authorize, within limitations which shall be contained in the authorization resolution of the governing body, an officer to sell and deliver and receive payment for obligations, approve interest rates, prices, discounts, maturities, principal amounts, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters and procedures necessary to complete the transactions authorized; and

WHEREAS, the City Council wishes to authorize the Finance Director to select a date for sale of the Bonds, to prepare the Bonds for sale, and to sell and deliver and receive payment for the Bonds without the necessity of the City Council taking further action prior to sale and delivery of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Bonds are authorized to be issued in the aggregate principal sum of Nine Hundred Fifty Thousand Dollars (\$950,000) for the purpose of paying costs of acquiring and constructing the Improvements, including the costs incidental to the issuance, sale and delivery of the Bonds.

The Bonds shall be designated as the 2009 GENERAL OBLIGATION LIMITED TAX BONDS and shall consist of bonds in fully-registered form of the denomination of \$5,000, or integral multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered as determined by the Transfer Agent (as hereinafter defined). The Bonds shall bear interest at the rates determined upon sale of the Bonds but in any event not to exceed 7.00% per annum. The Bonds shall bear interest, mature serially or as term bonds, and be payable at the times and in the manner as shall be determined by the Finance Director at the time of sale of the Bonds, provided that the date of the first maturity shall not be earlier than May 1, 2010, and that the date of the final maturity shall not be later than May 1, 2034. The

Bonds shall be dated as of the date of delivery thereof or such other date as shall be determined by the Finance Director at the time of sale of the Bonds.

The Bonds shall be subject to optional or mandatory redemption prior to maturity at the times and prices and in the manner as may be determined by the Finance Director at the time of sale of the Bonds.

At the option of the purchaser of the Bonds, the Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC") and the Finance Director is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form, and to make such changes in the form of the Bonds within the parameters of this Resolution as may be required to accomplish the foregoing.

Interest on the Bonds shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. Interest shall be payable by check or draft drawn on the Transfer Agent mailed to the registered owner at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. The principal of the Bonds shall be payable upon presentation and surrender of such Bonds to the Transfer Agent. Notwithstanding the foregoing, if the Bonds are held in book-entry form by DTC, payment shall be made in the manner prescribed by DTC.

The Finance Director is hereby to appoint a bond registrar, paying agent and transfer agent (the "Transfer Agent") for the Bonds, which may be Bank of New York Mellon Trust Company, N.A., Detroit, Michigan, or the financial institution which purchases the Bonds, or such other bank or trust company acceptable to the purchaser of the Bonds, or the City Treasurer. The Finance Director is hereby authorized to execute the necessary agreements with the Transfer Agent on behalf of the City. The City reserves the right to replace the Transfer Agent at any time, provided written notice of such replacement is given to the registered owners of record of the Bonds not less than sixty (60) days prior to an interest payment date.

The Transfer Agent shall keep the books of registration for this issue on behalf of the City. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

If in the future the City calls bonds for redemption prior to maturity then official notice of redemption shall be given by the Transfer Agent on behalf of the City unless receipt of notice is waived by any registered owner of Bonds to be redeemed. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date. In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

2. The Bonds shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk, and the corporate seal of the City shall be manually impressed or a facsimile thereof shall be printed on the Bonds. No Bond authorized under this resolution shall be valid until authenticated by an authorized representative of the Transfer Agent unless the purchaser thereof does not require the Bonds to be authenticated. If the Bonds are not authenticated, then at least one signature on the Bonds shall be a manual signature. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Finance Director.

3. The City expressly and irrevocably pledges its full faith and credit for the prompt and timely payment of the principal of and interest on the Bonds. The Bonds shall be payable, as a first budget obligation, from the general fund of the City, and the City shall levy annually ad valorem taxes on all the taxable property in the City which, taking into consideration estimated delinquencies in tax collections, shall be fully sufficient to pay the principal and interest on the Bonds provided, however, that if at the time of making any such tax levy there shall be other legally available funds for the payment of principal of and interest on the Bonds, then credit therefor may be taken against the levy for payment of the Bonds. The levy shall be subject to constitutional, statutory and charter tax rate limitations.

4. The Finance Director or Treasurer is authorized and directed to open a separate depository or trust account with a bank or trust company to be designated as the 2009 GENERAL OBLIGATION LIMITED TAX BOND DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The Debt Retirement Fund may be pooled or combined with other debt retirement funds for

issues of bonds of like character as provided by Act 34 or other state law. An amount sufficient to assure timely payment of the principal of and interest on the Bonds shall be transferred each year into the Debt Retirement Fund from the general fund of the City or other funds of the City legally available therefor. The moneys deposited in the Debt Retirement Fund shall be used solely for the purpose of paying the principal of and interest on the Bonds and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code of 1986, as amended. The accrued interest and premium, if any, received upon delivery of the Bonds shall also be deposited in the Debt Retirement Fund.

The City may provide for the payment of principal of any of the Bonds issued as term bonds through the purchase of municipal securities in the open market at a price not greater than that payable on the next redemption date in order to satisfy all or part of the next succeeding scheduled mandatory redemption.

In the event a deposit of trust is made of cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest of the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. The Finance Director or Treasurer is authorized and directed to open a separate depository account designated as the 2009 GENERAL OBLIGATION LIMITED TAX BOND CONSTRUCTION FUND (the "Construction Fund") with a bank or trust company (the "Depository Bank"). The Finance Director or Treasurer shall deposit the proceeds of the Bonds into the Construction Fund, less accrued interest and premium, if any, which shall be deposited into the Debt Retirement Fund, and costs of issuance of the Bonds, including but not limited to fees payable to the Municipal Advisory Council of Michigan, transfer agent fees, bond counsel fees, publication of the Notice of Sale, State Treasury filing fees, and any other costs necessary to accomplish sale and delivery of the Bonds which may be wired by the purchaser of the bonds or the Depository Bank directly to the provider of services as authorized by the Finance Director. The moneys in the Construction Fund shall be used to pay the costs of the Improvements and to pay costs of issuance of the Bonds. Moneys remaining in the Construction Fund after completion of the Improvements may be used for any purpose permitted by law.

6. The Bonds shall be in substantially the following form with such revisions, additions and deletions as may be advisable or necessary to comply with the final terms of the Bonds established upon sale thereof:

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF SHIAWASSEE  
CITY OF OWOSSO  
2009 GENERAL OBLIGATION LIMITED TAX BOND

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
_____%	May 1, ____	_____, 2009	

Registered Owner:

Principal Amount: \_\_\_\_\_ (\$ \_\_\_\_\_) Dollars

The CITY OF OWOSSO, County of Shiawassee, State of Michigan (the "City"), acknowledges itself to owe and for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on November 1, 2009 and semiannually thereafter. Principal of this bond is payable at the corporate trust office of The Bank of New York Mellon Trust Company, N.A., Detroit, Michigan, or other designated office, or such other transfer agent as the City may hereafter designate by notice mailed by the Transfer Agent to the registered owner of record not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month prior to each interest payment date, the registered owner of record, at the registered address.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$950,000, issued for the purpose of paying costs to acquire and construct capital

improvements under and in pursuance of the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the City Council adopted on \_\_\_\_\_, 200\_\_\_\_.

The limited tax full faith, credit and resources of the City are pledged for the payment of the bonds of this issue, and the City has pledged that it shall pay the principal of and interest on the bonds of this issue as they mature as a first budget obligation from its general fund and, after taking into account funds which the City may have legally available for payment of principal of and interest on the bonds of this issue, it shall levy annually ad valorem taxes on all taxable property in the City sufficient to pay the principal of and interest on the bonds of this issue subject to applicable constitutional, statutory and charter tax rate limitations.

Bonds of this issue maturing on or prior to May 1, \_\_\_\_ are not subject to redemption prior to maturity.

Bonds or portions of bonds of this issue in multiples of \$5,000 maturing or subject to mandatory redemption on or after May 1, \_\_\_\_ shall be subject to redemption prior to maturity at the option of the City, in such order as the City shall determine and within any maturity by lot, on any date on or after May 1, \_\_\_\_\_, at par plus accrued interest to the date fixed for redemption.

[MANDATORY REDEMPTION

Bonds of this issue maturing May 1, \_\_\_\_\_ and May 1, \_\_\_\_\_ (the "Term Bonds") are subject to mandatory sinking fund redemption by lot prior to maturity on May 1, in the years and amounts set forth below, at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

Term Bonds due May 1, 20\_\_

Term Bonds due May 1, 20\_\_

<u>Redemption Dates</u>	<u>Principal Amounts</u>	<u>Redemption Dates</u>	<u>Principal Amounts</u>
May 1, 20__		May 1, 20__	
May 1, 20__		May 1, 20__	
May 1, 20__		May 1, 20__	
May 1, 20__ (maturity)		May 1, 20__ (maturity)	

The principal amount of Term Bonds to be redeemed on the dates set forth above shall be reduced, in the order determined by the City, by the principal amount of Term Bonds of the same maturity which have been previously redeemed (other than as a result of a previous mandatory redemption requirement), or purchased or acquired by the City and delivered to the Transfer Agent for cancellation; provided, that each such Term Bond has not previously been applied as a credit against any mandatory redemption obligation.]

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner of record a new bond of the same maturity and in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given by the Transfer Agent to each registered owner of bonds or portions thereof to be redeemed by mailing such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner of record at the address of the registered owner as shown on the registration books of the City kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000, and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bonds by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof with the same interest rate and maturity. No further interest on bonds or portions of bonds called for redemption shall accrue after the date fixed for redemption, whether the bonds have been presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bonds or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

It is hereby certified and recited that all acts, conditions and things required by law to be done, exist and happen, precedent to and in the issuance of this bond and the series of bonds of which this is one, in order to make them valid and binding obligations of the City have been done, exist and have happened in regular and due form and time as provided by law, and that the total

indebtedness of the City, including this bond and the series of bonds of which this is one, does not exceed any constitutional, statutory or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City of Owosso, County of Shiawassee, State of Michigan, by its City Council, has caused this bond to be signed in the name of the City by [the facsimile signatures of] its Mayor and Clerk, and a facsimile of its corporate seal to be [manually impressed/printed] hereon, all as of the Date of Original Issue.

CITY OF OWOSSO  
County of Shiawassee, State of Michigan

By \_\_\_\_\_ ]  
Mayor

(Seal)

Countersigned:

By \_\_\_\_\_ ]  
City Clerk

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Date of Registration: \_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This bond is [one of the bonds described in the within-mentioned resolution.]/ [valid and authentic].

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Detroit, Michigan, Transfer Agent

By \_\_\_\_\_  
Authorized Signature

[INSERT STANDARD FORM OF ASSIGNMENT]

7. The City recognizes that Miller, Canfield, Paddock and Stone, P.L.C., has represented from time to time, and currently represents various financial institutions, underwriters, and other potential participants in the bond financing process for unrelated projects, any of which might offer to purchase the City's Bonds or to act as Transfer Agent for the Bonds. The City requests that Miller, Canfield, Paddock and Stone, P.L.C. continue to act as the City's bond counsel for the Bonds, notwithstanding the potential concurrent representation of any such bidder regarding any unrelated matter.

8. The Finance Director shall fix a date of sale for the Bonds and publish the Notice of Sale of the Bonds in *The Bond Buyer*, New York, New York, or such other newspaper as may fulfill the requirements of Act 34. The Notice of Sale for the Bonds shall be in substantially the following form, with such revisions as the Finance Director may determine to be in the best interests of the City in consultation with Bond Counsel.

OFFICIAL NOTICE OF SALE

\$950,000

CITY OF OWOSSO

County of Shiawassee, State of Michigan

2009 GENERAL OBLIGATION LIMITED TAX BONDS

SEALED BIDS for the purchase of the above bonds will be received by the undersigned at the City Hall located at 301 West Main Street, Owosso, Michigan, 48867-2925, on **Tuesday, June 9, 2009**, until **11:00 o'clock a.m.** prevailing Eastern Time, at which time and place bids will be publicly opened and read. Sealed bids will also be received on the same date and until the same time by an agent of the undersigned at the office of the Municipal Advisory Council of Michigan, 1445 First National Building, Detroit, Michigan 48226 (the "MAC"), where they will be publicly opened and read. The City will award or reject bids on that date.

FAXED BIDS: Signed bids may be submitted by fax by members of MAC to (313) 963-0943, and by other bidders to the City at (989) 723-8854 Attention: Finance Director; provided that faxed bids must arrive before the time of sale, the bidder bears all risks of transmission failure.

{ELECTRONIC BIDS: Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or Client Services, 1359 Broadway, Second Floor, New York, New York 10018, (212) 849-5021. If any provision of this Notice of Sale shall conflict with information provided by Bidcomp/Parity, as the

approved provider of electronic bidding services, this Notice of Sale shall control. No change of the dated date will be allowed for the computation of the winning bid.}

Bidders may choose any means or location to present bids but a bidder may not present a bid in more than one location or by more than one means.

**BOND DETAILS:** The bonds will be registered bonds of the denomination of \$5,000 or integral multiples thereof up to the amount of that maturity, originally dated as of the date of delivery thereof (anticipated to be June 30, 2009), and will bear interest from their date payable on November 1, 2009, and semiannually thereafter. The bonds will mature on May 1 of each year, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2010	\$25,000	2017	\$40,000	2024	\$55,000
2011	25,000	2018	45,000	2025	60,000
2012	30,000	2019	45,000	2026	65,000
2013	30,000	2020	45,000	2027	70,000
2014	35,000	2021	50,000	2028	75,000
2015	35,000	2022	50,000	2029	75,000
2016	40,000	2023	55,000		

**INTEREST RATE AND BIDDING DETAILS:** The bonds shall bear interest at a rate or rates not exceeding 7.00% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the bonds shall not exceed 4.00% per annum. THE INTEREST RATE FOR EACH MATURITY SHALL BE EQUAL TO OR GREATER THAN THE INTEREST RATE BORNE BY THE PRECEDING MATURITY. No proposal for the purchase of less than all of the bonds or at a price less than 98.00% of their par value will be considered. In submitting a bid for the bonds, the bidder agrees to the representation of the City by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel.

**TERM BOND OPTION:** Bidders shall have the option of designating the bonds as term bonds or serial bonds or both. The bid must designate whether each of the principal amounts shown above for the years 2010 to 2029, inclusive, represent a serial maturity or a mandatory redemption requirement for a term bond maturity. If the winning bidder does not designate bonds as term bonds, then the maturities shown above shall be serial maturities. Any such designation must be made at the time the bids are submitted.

Amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory redemption on May 1 of the years and in the amounts set forth above at a redemption price of par, plus accrued interest to the date of mandatory redemption.

If the term bond option is selected, then the principal amount of the term bonds of a maturity to be redeemed on the dates set forth above may be reduced by the principal amount of the term bonds of the same maturity which have been previously redeemed or called for redemption (other than as a result of a mandatory redemption) or purchased or acquired by the City and delivered to the transfer agent. The City may satisfy mandatory redemption requirements by the purchase and surrender of term bonds in lieu of the calling of such term bonds for redemption.

**OPTIONAL PRIOR REDEMPTION:** The bonds maturing or subject to mandatory redemption on or before May 1, 2019 are not subject to optional redemption prior to maturity.

Bonds or portions of bonds in multiples of \$5,000 maturing or subject to mandatory redemption on or after May 1, 2020 shall be subject to redemption prior to maturity at the option of the City in such order of maturity as the City shall determine and within any maturity by lot, on any date on or after May 1, 2019, at par and accrued interest to the date fixed for redemption.

Notice of redemption of any bond or portion thereof shall be given by the transfer agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the transfer agent. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the transfer agent to redeem the bond or portion thereof. In case less than the full amount of an outstanding bond is called for redemption, the transfer agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

**AWARD OF BONDS - TRUE INTEREST COST:** The bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on November 1, 2009 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to June 30, 2009 in an amount equal to the price bid. June 30, 2009 is the anticipated date of delivery of the Bonds. In the event there is an election to exercise the Term Bond option, true interest cost shall be calculated by applying the interest rate of such Term Bonds to each mandatory sinking fund redemption for such Term Bonds.

**BOOK-ENTRY-ONLY OPTION:** At the option of the purchase of the bonds, the bonds will be issued in book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. An authorized agent of DTC will act as securities depository for the bonds. Purchase of the bonds will be made in book-entry only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in bonds purchased. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the bonds.

**TRANSFER AGENT AND REGISTRATION:** Principal and interest shall be payable at the designated office of a bank or trust company qualified to carry out such duties under the laws of the State of Michigan to be designated as transfer agent by the City. If the purchaser chooses the book-entry- only option, then as long as The Depository Trust Company or its nominee, Cede & Co., is the bondholder, payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the bonds is the responsibility of the DTC Participants and Indirect Participants. Interest shall be paid by check or draft mailed to the registered owner of record as shown on the registration books kept by the transfer agent as of the 15th day of the month prior to an interest payment date. The bonds will be transferred only upon the registration books of the City kept by the transfer agent.

**PURPOSE AND SECURITY:** The bonds are issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the City Council for the purpose of paying costs to acquire and construct capital improvements. The bonds will pledge the limited tax full faith and credit of the City for payment of the principal and interest thereon, and will be payable as a first budget obligation from the general fund of the City, and from ad valorem taxes, which may be levied against all taxable property in the City, subject to applicable constitutional, statutory and charter tax rate limitations. The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity including those relating to equitable subordination.

**GOOD FAITH:** A good faith deposit in the form of a certified or cashier's check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of \$19,000 payable to the order of the Treasurer of the City, will be required of the successful bidder. The successful bidder is required to submit its good faith deposit to the City as instructed by the City not later than Noon, prevailing Eastern Time, on the next business day following the sale. The good faith deposit will be applied to the purchase price of the bonds. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the City. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the bonds shall be made at the closing.

**TAX MATTERS:** In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., bond counsel, under existing law, assuming compliance with certain covenants, interest on the bonds is excludable from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation in the State of Michigan except inheritance and estate taxes, taxes on gains realized from the sale, payment or other disposition thereof, and with respect to certain taxpayers, portions of the Michigan Business Tax. The successful bidder will be required to furnish, at delivery of the bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986. Such certificate will include (i) for those maturities where 10% of each such maturity of the bonds has been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the bonds, the price at which the first 10% of each such maturity was sold to members of the general public, and (ii) for those maturities where 10% of such maturity has not been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the bonds, an agreement by the successful bidder to provide bond counsel with the prices at which the first 10% of each such maturity is ultimately sold to members of the general public.

**QUALIFIED TAX EXEMPT OBLIGATIONS:** The City has designated the bonds as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to Internal Revenue Code of 1986, as amended.

**LEGAL OPINION:** Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Lansing and Detroit, Michigan. The opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C., for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

**DELIVERY OF BONDS:** The City will furnish executed bonds at its expense. Bonds will be delivered without expense to an authorized agent of DTC on behalf of the purchaser. The usual

closing documents, including a certificate that no litigation is pending affecting the issuance of the bonds, will be delivered at the time of delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the City shall promptly return the good faith deposit. Payment for the bonds shall be made in immediately available funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds. The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser of the Bonds.

NO OFFICIAL STATEMENT: Because of the size of the bond issue the City will not prepare a Preliminary or Final Official Statement.

NO CONTINUING DISCLOSURE: Due to the size of the bond issue, the City will not enter into a continuing disclosure undertaking.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked "Proposal for Limited Tax Bonds."

Richard C. Williams, Finance Director  
City of Owosso, Michigan

9. The City shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the Bonds pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), in such a manner as to cause the Bonds to be "arbitrage bonds" within the meaning of the Code. The City hereby covenants that, to the extent permitted by law, it shall take all actions within its control and that it shall not fail to take any action necessary to maintain the exclusion of the interest on the Bonds from adjusted gross income for general federal income tax purposes under the Code, including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure of investment of Bond proceeds and moneys deemed to be Bond proceeds, all as more fully set forth in the Non-Arbitrage and Tax Compliance Certificate to be delivered by the City with respect to the Bonds.

10. The City hereby designates the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

11. The estimated period of usefulness of the Improvements to be constructed and acquired with proceeds of the Bonds is hereby declared to be not less than 20 years. The total cost of the Improvements is estimated to be not less than Nine Hundred Fifty Thousand Dollars (\$950,000).

12. The Finance Director is hereby authorized on behalf of the City, subject to the provisions and limitations of this Resolution, to award sale of the Bonds to the bidder whose bid produces the lowest interest cost computed in compliance with the terms of the Notice of Sale as published, which bid shall comply with the requirements for bids specified in said Notice of Sale and shall be within the limitations contained in this Resolution.

13. The Bonds shall bear interest at a rate or rates not exceeding 7.00% per annum. The purchase price for the Bonds, exclusive of any original issue discount or premium, shall not be less than 98.00% of the principal amount of the Bonds plus accrued interest, if any. In making such determinations the Finance Director is authorized to rely upon data and computer runs provided by the Municipal Advisory Council of Michigan.

The Finance Director shall return checks received from the unsuccessful bidders to each bidder's representative or as provided in the Notice of Sale as published.

14. In the event that the Finance Director is not available at the time that it becomes necessary to take actions directed or authorized under this resolution, then a person designated by the Finance Director, or the City Manager, or a person designated by the City Manager is authorized to take the actions delegated to the Finance Director by this Resolution. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate sale and delivery of the Bonds and expenditure of Bond proceeds, and to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to complete the issuance, sale, and delivery of the Bonds and expenditure of Bond proceeds in accordance with this Resolution.

15. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are hereby rescinded.

Motion supported by Councilperson Cline.

Roll Call Vote.

AYES: Councilpersons Cline, Forster, Frederick, Martenis, Mayor Pro-Tem Owen, and Mayor Bruff.

NAYS: None.

**MEMORIAL DAY PARADE PERMISSION**

Sandy Harvey, president of the VFW Ladies Auxiliary invited everyone to the parade.

Motion by Mayor Pro-Tem Owen to approve the application of Sandra Harvey on behalf of the VFW Auxiliary for the use of Washington Street from Goodhue Street to the south city limits on Monday, May 25, 2009 from 5:45 pm to 6:30 pm for the annual Memorial Day parade and authorized Traffic Control Order No. 1215.

Motion supported by Councilperson Frederick.

Roll Call Vote.

AYES: Councilpersons Frederick, Forster, Mayor Pro-Tem Owen, Councilpersons Cline, Martenis, and Mayor Bruff.

NAYS: None.

**MOOTZIE’S REQUEST**

It was noted Mootzie’s have made similar requests in the past and their events have had no issues.

Motion by Mayor Pro-Tem Owen to authorize request from Mootzie’s Gallery to temporarily serve alcohol outside their normal premises and further authorize request for use of the alley behind 112 West Main Street on June 6, 2009, July 24 & 25, 2009 and August 8, 2009.

Motion supported by Councilperson Forster.

Roll Call Vote.

AYES: Councilpersons Martenis, Forster, Cline, Mayor Pro-Tem Owen, Councilperson Frederick, and Mayor Bruff.

NAYS: None.

**ELECTRONIC FINANCIAL TRANSACTIONS RESOLUTION**

Motion by Councilperson Frederick to approve the following resolution authorizing the acceptance of payments by financial transaction devices:

**RESOLUTION NO. 33-2009  
A RESOLUTION TO AUTHORIZE ACCEPTANCE OF  
PAYMENTS BY FINANCIAL TRANSACTION DEVICES**

WHEREAS, Act No. 280 of the Public Acts of Michigan of 1995, as amended, (the “Act”) authorizes a local unit of government by resolution of its governing body to authorize the acceptance of payments by financial transaction devices, i.e., credit cards, debit cards, and electronic funds transfer cards, and

WHEREAS, the City Council of the City of Owosso has determined that it would be convenient for and in the best interest of the City and its residents if payment to the City could be made by financial transaction devices,

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Owosso hereby approves and authorizes the acceptance of payments to the City of Owosso by financial transaction devices.

BE IT FURTHER RESOLVED that the Finance Director along with the City Treasurer shall determine the types of financial transaction devices that may be accepted.

Motion supported by Mayor Pro-Tem Owen.

Roll Call Vote.

AYES: Councilpersons Cline, Forster. Martenis, Frederick, Mayor Pro-Tem Owen, and Mayor Bruff.

NAYS: None.

There was a brief recess at 8:38 p.m.

The meeting resumed at 8:50 p.m.

## **COUNCIL MEMBER APPOINTMENT**

Mayor Bruff outlined the procedure that would be followed. Each candidate will have up to four minutes to present the reasons why he/she would like to be a member of City Council. Candidates will then be asked a series of questions by Council members.

It was noted there were six candidates for the position: Vicky Berry, Bozena Bienias, Christopher Eveleth, Burton Fox, Trafton Jean, and Cindy Popovitch. Ms. Berry and Mr. Fox were not present for the meeting. Mayor Bruff made note of the letter sent by Mr. Fox for the record.

City Council Candidate Christopher Eveleth addressed the Council saying he recognized economic recovery for the area would not be easy, but felt the City needed to concentrate on the things it can do not the things it can't. He also expressed a desire to see the changes made to entice businesses to the area.

City Council Candidate Bozena Bienias addressed the Council saying she wanted to participate on the Council to become a part of the decision making process. She also detailed her background including terms as a school liaison in Perry and covering local government issues for area newspapers.

City Council Candidate Trafton Jean addressed the Council saying he wanted to help develop a strong vibrant community and in the process give back to the community. He indicated his work experience as a managerial accountant would be well suited to the decisions faced by City Council.

City Council Candidate Cindy Popovitch addressed the Council saying she wanted to be a part of the City Council because she loves the City of Owosso and she would like to help it grow and thrive. She said she felt the City was at a point where it needed to work to place itself to profit when the economy turns around.

Each Council Candidate was asked questions by each current City Council member, questions ranged from inquiries on time availability, to past community participation, to whether they believe past attendance at City Council meetings should be a requirement of the new member, to what they would like to see improved in the City.

Motion by Councilperson Cline to nominate Christopher Eveleth.

Motion by Mayor Pro-Tem Owen to nominate Trafton Jean.

Motion by Councilperson Forster to nominate Bozena Bienias.

Roll Call Vote.

Councilperson Cline:	Eveleth
Councilperson Forster:	Bienias
Councilperson Frederick:	Eveleth
Councilperson Martenis:	Eveleth
Mayor Pro-Tem Owen:	Jean
Mayor Bruff:	Eveleth

Christopher T. Eveleth as the new Council member for a term expiring November 9, 2009. He was sworn in immediately following his appointment.

Mayor Bruff thanked all those that expressed an interest in the position.

Mayor Pro-Tem Owen also thanked those interested and indicated this was a talented pool of candidates from which to pick.

## **COMMUNICATIONS**

John F. Archer, Building Official. April 2009 Building Department Report.

John F. Archer, Building Official. April 2009 Code Violations Report.

Michael T. Compeau, Public Safety Director. April 2009 Police Department Report.

Michael T. Compeau, Public Safety Director. April 2009 Fire Department Report.

Owosso Planning Commission. Minutes of Meeting of March 23, 2009.

## **CITIZEN COMMENTS AND QUESTIONS**

Shelva Cebulski, 1243 Marion Street, commented on her appreciation for the curbside brush pick up, she hoped the event would take place annually. She also noted her sister had run into the same issue with pornography sites being accessible at her public library. She was also told the library could not prohibit people from visiting such sites. Lastly she indicated there would be a blood drive at the Knights of Columbus hall on May 20<sup>th</sup> starting at noon.

Sandy Harvey, 1398 North Hickory Street, noted the VFW Ladies Auxiliary would be preparing a hobo breakfast on July 25<sup>th</sup>, she invited all to attend.

Bruce Robb, County Commissioner District 2, invited everyone to the dedication of the Capitan Hoschner Building and recommended everyone check out the renovations at the Courthouse.

Betty Coon, 1204 Palmer Avenue, indicated she had raised a similar issue with the library years ago regarding copies of Playboy. She said she hoped that libraries would be a safe place for children to visit. She also noted her distaste for LED signs, saying the text changes too quickly and is difficult to read.

Eddie Urban, 601 Glenwood Avenue, indicated he has been trying to get local landlords to participate in Community Pride Week. He also asked for more Community Pride Week flyers to hand out.

Council offered their congratulations to newly appointed member Christopher Eveleth.

There was further discussion regarding the access of pornography websites at the public library. It was noted the computers could be removed altogether, it was also noted caution should be expressed when considering any action that would limit someone's access to certain materials whether objectionable or not. It was noted again the library is a separate entity over which the City has no control.

**NEXT MEETING**

June 1, 2009

**BOARDS AND COMMISSIONS OPENINGS**

Zoning Board of Appeals – Alternate, term expires 06-30-2009  
Historical Commission, term expires 12-31-2010

**ADJOURNMENT**

Motion by Councilperson Cline for adjournment at 10:10 p.m.

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

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Michael E. Bruff, Mayor

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Amy K. Kohagen, City Clerk