

OWOSSO CITY COUNCIL

MARCH 15, 2010

7:30 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

OPENING PRAYER: SHELVA CEBULSKI

PLEDGE OF ALLEGIANCE: GEORGE HEBERT

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Cindy S. Popovitch, Councilpersons Thomas B. Cook, Michael J. Erfourth, Christopher T. Eveleth, Joni M. Forster, and Gary W. Martenis.

ABSENT: None.

APPROVE AGENDA

Motion by Councilperson Eveleth to approve the agenda as presented with the addition of Consent Item 5. Boards and Commissions Appointment.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF MARCH 1, 2010

Motion by Mayor Pro-Tem Popovitch to approve the Minutes of the Regular Meeting of March 1, 2010 as presented.

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

SEARCH FIRM INTERVIEWS

The Council interviewed the following search firms:

Mercer Group, Atlanta, Georgia – Jan Lazar

Ms. Lazar detailed their process, indicating they would interview community stakeholders and council members prior to developing a candidate profile. She indicated that the Mercer Group actively recruits candidates year round, all staff members have public sector experience (many as City Managers), and the process would take approximately 4-6 months. The fee for the search would be approximately \$17,500, and would not exceed \$22,000. The philosophy of the firm is not just to find a good manager but to find the best fit between community and manager.

Michigan Municipal League, Ann Arbor, Michigan – Paul Preston & Joyce Parker

Mr. Preston detailed their qualifications for conducting a manager search indicating each had over 30 years of city management experience. He detailed the process that would be followed to hire the new city manager, including the following: review the job description, develop a candidate profile and community profile, conduct an advertising campaign, gather candidates, provide an executive summary of possible candidates, conduct reference checks, recommend a firm to conduct background checks, and schedule and assist with the conduct of interviews. He indicated their search philosophy was more of a targeted approach rather than a broad search, basing qualification of applicants on their relevant experience in public service and their fit with the organization. The fee would be \$9750 plus incidentals such as mileage, meals, and telephone calls. He indicated the search would take approximately 3 months to complete. The firm's background is entirely in the public sector.

Hiring Solutions, Okemos, Michigan – Sandra Rich

Ms. Rich detailed the process her firm would follow to hire the new city manager. As she had performed the search for the previous Owosso City Manager she would be using the previously developed profile as a base for starting the second search. She would then conduct an advertising campaign, gather candidates, reduce the candidate pool through telephone screening, administer of personality, leadership and aptitude testing, prepare a detailed summary report prior to interviews, and assist in the development of a compensation package. Her philosophy is to cast a wide net and gather candidates with different backgrounds saying she feels it is more important to understand the position rather than possess direct experience in a particular sector. The timetable for the search was estimated at less than 120 days. The fee for the search will be \$9500, with assessments costing an additional \$250 per candidate (with a maximum of 5) and background checks an additional \$100 each. The firm's background is mainly in the private sector.

SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

BROWNFIELD REDEVELOPMENT PLAN –DISTRICT #14 - OWOSSO COMMUNITY PLAYERS- LEBOWSKY CENTER REDEVELOPMENT PROJECT

A public hearing was conducted to receive citizen comment regarding the proposed Brownfield Redevelopment District #14 Owosso Community Players-Lebowski Center Redevelopment Project.

There was no citizen comment.

Economic Development and Neighborhood Services Director Brent Morgan noted the City would be issuing no bonds for the project and it would also have no impact on any taxing jurisdictions.

Councilperson Erfourth asked about placing a second mortgage on the property. Interim City Manager Donald Crawford indicated he would talk to the various parties involved.

Mr. Morgan and Jared Belka of the law firm Warner Norcross and Judd, LLP indicated to Council the proposed plan fulfills all the necessary requirements as described in Section 14 of Act 381 of 1996.

Motion by Councilperson Cook to authorize the following resolution approving the Brownfield Redevelopment Plan District #14 - Owosso Community Players-Lebowski Center.

RESOLUTION NO. 20-2010

**APPROVING
OWOSSO COMMUNITY PLAYERS – LEBOWSKY CENTER REDEVELOPMENT PROJECT
BROWNFIELD PLAN DISTRICT #14
PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF
ACT 381 OF THE PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED**

WHEREAS, the Brownfield Redevelopment Authority (the "Authority") of the City of Owosso (the "City"), pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), has prepared and recommended for approval by the City Council (the "City Council"), the **OWOSSO COMMUNITY PLAYERS – LEBOWSKY CENTER REDEVELOPMENT PROJECT BROWNFIELD PLAN** (the "Plan") pursuant to and in accordance with Section 13 of the Act; and

WHEREAS, the City or Authority has, at least ten (10) days before the meeting of the City Council at which this resolution has been considered, provided notice to and fully informed the taxing jurisdictions which are affected by the Plan (the "Taxing Jurisdictions") about the fiscal and economic implications of the proposed Plan, and the City Council has previously provided to the Taxing Jurisdictions a reasonable opportunity to express their views and recommendations regarding the Plan and in accordance with Sections 13(10), 13(13) and 14(1) of the Act; and

WHEREAS, the City Council has made the following determinations and findings:

- A. The Plan constitutes a public purpose under the Act;
- B. The Plan meets all of the requirements for a brownfield plan set forth in Section 13 of the Act;
- C. The proposed method of financing the costs of eligible activities is feasible and the Authority has the ability to arrange the financing;
- D. The cost of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
- E. The amount of captured taxable value estimated to result from the adoption of the Plan is reasonable; and

WHEREAS, as a result of its review of the Plan and upon consideration of the views and recommendations of the Taxing Jurisdictions (if any), the City Council desires to proceed with approval of the Plan.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Plan Approved: Pursuant to the authority vested in the City Council by the Act, and pursuant to and in accordance with the provisions of Section 14 of the Act, the Plan is hereby approved in the form attached as Exhibit A to this Resolution.

2. Severability: Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.
3. Repeals: All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

Motion supported by Councilperson Eveleth.

Roll Call Vote.

AYES: Councilpersons Forster, Erfourth, Martenis, Cook, Mayor Pro-Tem Popovitch, Councilperson Eveleth, and Mayor Frederick.

NAYS: None.

CITIZEN COMMENTS AND QUESTIONS

Shelva Cebulski, 1243 Marion Street, asked Council to institute a burning ban in the interest of the health of the residents of the community. She also asked about a wood burner in town.

George Hebert, 411 Curwood Drive, suggested the Council act to ban burning instead of referring the matter to voters.

County Commission Chairperson Henrietta Sparkes delivered a list of the Commission's accomplishments for 2009.

Fire Fighter Jeffrey Hetfield invited everyone to attend the all you can eat pancake breakfast benefiting the Red Cross this Saturday from 8:00 a.m. to 1:00 p.m. at the Fire Station.

Betty Coon, 1204 Palmer Avenue, indicated it is getting hard for her to come to meetings due to her health. She hoped that someone would take her place to advocate the right to burn.

Mayor Frederick indicated he appreciated her participation in the many, many meetings she has attended over the years. She received a round of applause for her dedication.

Eddie Urban, 601 Glenwood Avenue, indicated he had a program for playback on channel 95 and that the Cable Commission is working on establishing a schedule for the channel.

Brian Berry, 627 North Washington Street, indicated there is a serious homeless issue here in town, specifically students that are homeless. He hoped the community would come together to address the problem.

Councilperson Martenis asked that people be considerate of their neighbors if they feel they must burn, saying many people have health issues exacerbated by smoke.

Councilperson Cook inquired whether the burning ordinance was being properly enforced. Public Safety Director Compeau indicated that the ordinance was being properly enforced, though not all outdoor burning is a violation as some burns are conducted within the letter of the law.

There was discussion regarding the history of burning in the City, instituting a brush pick up program, charging a fee for yearly pick up, banning burn barrels, and confusion regarding the wording of the last ballot proposal.

There was further discussion regarding discussing burning during the 5th Monday meeting along with next steps on how to deal with existing wood fired boilers.

CITY MANAGER REPORT

City Manager Crawford detailed the following items in his report: Owosso Main Street Report, Owosso Community Pride Event, Exchange Street Water Feature, the 5th Monday Meeting for March and the Census. He indicated he will bring reports on the costs of brush pick up and recycling to the 5th Monday meeting.

Council indicated a preference to wait on a decision regarding the proposed water feature until a provisional arrangement can be made to cover the top of the fountain until such time as a sculpture is installed. They also indicated they would like to discuss the burning ordinance during the 5th Monday meeting scheduled for March 29, 2010.

CONSENT AGENDA

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

Planning Commission Referral. Refer to the Planning Commission a request to rezone the parcel at 713 West Oliver Street from R-1 Single Family Residential District to R-2 Two Family Residential District.

Curwood Festival Permission. Approve application of the Curwood Festival for use of City streets and parking lots from June 1, 2010 through midnight June 6, 2010 and authorize Traffic Control Order No. 1229.

M-52 Water Main Contract. Approve cost sharing agreement with the Michigan Department of Transportation for water main along south M-52.

Warrant No. 399. Accept Warrant No. 399 as follows:

| Vendor | Description | Fund | Amount |
|---------------------|--|-------------|---------------|
| Brown & Stewart, PC | Professional Services February 9, 2010 – March 8, 2010 | General | \$10,372.96 |
| Netarx, LLC | Network Engineering Support February 2010 | General | \$7,616.00 |

Boards and Commissions Appointment. Approve mayoral appointment of Robert Teich, Jr. to the Shiawassee District Library Board for a term expiring June 30, 2013.

Motion supported by Councilperson Forster.

Roll Call Vote.

AYES: Councilpersons Eveleth, Forster, Erfourth, Mayor Pro-Tem Popovitch,
Councilpersons Cook, Martenis, and Mayor Frederick.

NAYS: None.

ITEMS OF BUSINESS

WATER RATE ADJUSTMENT

There was discussion regarding approving one large increase instead of two smaller increases. Utilities Director Gary M. Burk noted he was uncomfortable instituting a larger increase without more notice to customers.

There was further discussion regarding charges for hydrant rental. Utilities Director Burk noted that the charges cover the cost to maintain out of town hydrants.

It was noted that customers can still pay on their water bills each month to avoid getting a large quarterly bill.

Motion by Councilperson Erfourth to authorize the following resolution adopting a new water and sewer rate schedule for bills issued on or after March 31, 2010:

RESOLUTION NO. 21-2010

WATER AND SEWER RATE SCHEDULE FOR WATER AND SEWER BILLS ISSUED ON or AFTER MARCH 31, 2010

"Pursuant to Sections 34-248. Water Rates, and 34-249. Sewer Rates, of Article V, of Chapter 34, of the Owosso City Code, the City Council does hereby resolve that the following rate schedule for water and sewer service shall be in effect for water and sewer service bills with date of billing on or after March 31, 2010. All previous resolutions or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed."

CITY OF OWOSSO WATER AND SEWER RATE SCHEDULE FOR WATER AND SEWER BILLS ISSUED ON or AFTER MARCH 31, 2010

I. QUARTERLY WATER AND SEWER RATES

Quarterly water and sewer service charges consist of a demand charge plus a metered usage charge. One meter unit is equal to 100 cubic feet of water or about 750 gallons. Rates for retail out-of-town water service are double the in-town rate. The City has no retail out-of-town sewer service.

Bills are issued on a quarterly basis and, if not paid by the due date as shown on the billing, a late payment charge of ten percent (10%) of the current amount due may be added for failure to make prompt payment.

QUARTERLY WATER SERVICE CHARGE:

In-town: \$1.30 per meter unit + In-town Water Demand Charge from Table below.
 Out-of-town: \$2.60 per meter unit + Out-of-town Water Demand Charge from Table below.

QUARTERLY SEWER SERVICE CHARGE:

\$1.70 per unit + Sewer Demand Charge from Table below.

For residential customers without metered water service, the quarterly sewer charge shall be \$63.30 per residential unit.

QUARTERLY DEMAND CHARGE TABLES

A. Potable Water & Sewer Service

| Water Meter Size | Water (In-town) | Sewer (In-town) | Combined (In-Town) | Water Only (Out-of-town) |
|------------------|-----------------|-----------------|--------------------|--------------------------|
| 5/8" | \$25.00 | \$22.50 | \$47.50 | \$50.00 |
| 3/4" | 37.50 | 33.75 | 71.25 | 75.00 |
| 1" | 62.50 | 56.25 | 118.75 | 125.00 |
| 1.5" | 125.00 | 112.50 | 237.50 | 250.00 |
| 2" | 200.00 | 180.00 | 380.00 | 400.00 |
| 3" | 375.00 | 337.50 | 712.50 | 750.00 |
| 4" | 625.00 | 562.50 | 1,187.50 | 1,250.00 |
| 6" | 1,250.00 | 1,125.00 | 2,375.00 | 2,500.00 |

A. Potable Water Service (continued)

The demand charge for multiple residential units served by a single water meter shall be based on actual meter size provided the meter meets the minimum size requirement per the following table:

| <u>Number of Apartments</u> | <u>Minimum Meter Size</u> |
|-----------------------------|---------------------------|
| 1 - 3 | 5/8" |
| 4 - 7 | 3/4" |
| 8 - 11 | 1" |
| 12 - 15 | 1&1/2" |
| 16 & up | 2" |

B. Fire Protection Service

| <u>Sprinkler Service Size</u> | <u>Quarterly Water Demand Charge</u> | |
|-------------------------------|--------------------------------------|--------------------|
| | <u>In-town</u> | <u>Out-of-Town</u> |
| 4 inch | \$ 37.50 | \$ 75.00 |
| 6 inch | \$ 62.50 | \$125.00 |
| 8 inch | \$125.00 | \$250.00 |
| 10 inch | \$200.00 | \$400.00 |

II. EXTRA STRENGTH WASTEWATER SURCHARGES

Extra strength wastewater surcharges shall apply to those users of the City wastewater treatment system approved for the discharge of extra strength wastewater in accordance with Section 34-170. of the Owosso City Code. The surcharge rate shall be applied to loadings in excess of the base or normal strength loading.

EXTRA STRENGTH WASTEWATER SURCHARGE SCHEDULE

| <u>PARAMETER</u> | <u>BASE</u> | <u>SURCHARGE</u> |
|------------------|-------------|--------------------------------|
| BOD-5 | 220 MG/L | \$0.10/pound in excess of base |
| TSS | 300 MG/L | \$0.16/pound in excess of base |
| TP | 10 MG/L | \$1.42/pound in excess of base |
| NH3-N | 20 MG/L | \$0.76/pound in excess of base |

(Note: BOD-5 = Biochemical Oxygen Demand; TSS = Total Suspended Solids; TP = Total Phosphorous; NH3-N = Ammonia Nitrogen; MG/L = Milligrams per Liter)."

III. HYDRANT RENTAL CHARGES

Hydrants located outside the City of Owosso and private hydrants maintained by the City of Owosso shall be subject to an annual hydrant rental charge of \$120.

IV. BULK WATER CHARGES

For users with an active city water service connection, bulk water delivered by the city from hydrants or other approved outlets for such purposes as pool filling, shall be charged at the standard metered usage rate given in Section I. above along with actual labor and equipment costs with a minimum charge of \$35.00, which includes up to 5,000 gallons.

Other bulk water sales, such as filling tank trucks, shall be charged at the rate of \$7.00 per thousand gallons with a \$35.00 minimum charge, which includes up to 5,000 gallons, if during the normal workday at an established city delivery point. After hours bulk water sales and/or sales at other than established city delivery points, shall be charged at the rate of \$6.50 per thousand gallons plus actual labor and equipment costs. (Note: These charges do not apply to water supplied for fire fighting).

V. INCREMENTAL WATER AND SEWER USAGE CHARGES FOR BILLING ADJUSTMENTS RELATED TO PLUMBING LEAKS

The incremental water and sewer usage charges shall be 50% of the normal usage charge. These incremental usage rates are for the purpose of making adjustments to significantly high bills attributable to plumbing leaks and may be applied in accordance with Guidelines separately approved by the Owosso City Council.

Motion supported by Councilperson Forster.

Roll Call Vote.

AYES: Councilpersons Forster, Erfourth, Martenis, Eveleth, Mayor Pro-Tem Popovitch, and Councilperson Cook.

NAYS: Mayor Frederick.

PAYMENT AUTHORIZATION – PERRIN CONSTRUCTION

The Council was interested in seeking liquidated damages for the delays in completion of the Exchange Street streetscape. They had previously withheld \$30,000 in payment to Perrin Construction in anticipation of the discussion. Jeff Perrin, Perrin Construction President, was on hand to explain to Council the reasons why the project took so long to complete. He indicated that the speed with which they proceeded with the project was dictated by the City. The City insisted they work only on one side of the block at a time to avoid disturbing businesses. He also indicated there were delays due to the Curwood Festival and the Train Festival along with delays due to engineering questions as well as unforeseen issues such as the replacement of underground lines by Consumers Energy and DayStar Communications. He indicated the company had tried its best to work with the concerns of the City throughout the project and they were not aware of the Council's concerns while the project was going on.

Council seemed receptive to the explanation and agreed that the delays were out of Perrin's control. It was suggested that a volunteer from Council visit future long-term construction sites to get a feeling for how the project is progressing. It was also noted that the City had learned from the Exchange Street project and changes would be made to ensure the Washington Street streetscape project does not experience the same delays.

Motion by Mayor Pro-Tem Popovitch to authorize final payment of \$30,000 to Perrin Construction for work performed on the Exchange Street Streetscape project.

Motion supported by Councilperson Forster.

Roll Call Vote.

AYES: Councilperson Martenis, Mayor Pro-Tem Popovitch, Councilpersons Erfourth, Eveleth, Cook, Forster, and Mayor Frederick.

NAYS: None.

EXECUTIVE SESSION

Motion by Councilperson Eveleth to authorize holding Executive Session at the end of regular business for collective bargaining purposes.

Motion supported by Mayor Pro-Tem Popovitch.

Roll Call Vote.

AYES: Councilpersons Erfourth, Forster, Cook, Eveleth, Martenis, Mayor Pro-Tem Popovitch, and Mayor Frederick.

NAYS: None.

COMMUNICATIONS

- Gary Palmer, Building Official. February 2010 Building Department Report.
- Gary Palmer, Building Official. February 2010 Code Violations Report.
- Michael T. Compeau, Public Safety Director. February 2010 Police Department Report.
- Michael T. Compeau, Public Safety Director. February 2010 Fire Department Report.
- Cable Access Advisory Commission. Minutes of Meeting of February 8, 2010.
- Cable Access Advisory Commission. Minutes of Meeting of February 22, 2010.
- Mid-Shiawassee County WWTP Review Board. Minutes of the Meeting of January 26, 2010.
- Mid-Shiawassee County WWTP Review Board. Minutes of the Meeting of February 23, 2010.

Councilperson Martenis noted the booklet on public transportation he had handed out prior to the meeting.

CITIZEN COMMENTS AND QUESTIONS

Shelva Cebulski, 1243 Marion Street, thanked the Council for scheduling a discussion on burning for the 5th Monday meeting. She also announced a blood drive at the K of C on Wednesday from 10:00 a.m. to 3:45 p.m.

10:15 P.M. RECESSED TO EXECUTIVE SESSION

10:46 P.M. RETURNED FROM EXECUTIVE SESSION

NEXT MEETING

March 29, 2010 – 5th Monday Meeting
April 5, 2010 – Regular Meeting

ADJOURNMENT

Motion by Councilperson Cook for adjournment at 10:47 p.m.

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

Benjamin R. Frederick, Mayor

Amy K. Kohagen, City Clerk