

OWOSSO CITY COUNCIL

MAY 3, 2010

7:30 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK
OPENING PRAYER: COUNCILPERSON TOM COOK
PLEDGE OF ALLEGIANCE: DAVID COULTER
KIWANIS INTERNATIONAL
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 Public Hearing 2. Housing Grant and Item of Business 10. Lebowski Center Funds Advancement.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF APRIL 19, 2010

Motion by Councilperson Cook to approve the Minutes of the Regular Meeting of April 19, 2010 as presented.

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

SPECIAL PRESENTATIONS

SUICIDE PREVENTION DAY & MENTAL HEALTH MONTH

Mayor Frederick read aloud the following proclamation of the Mayor's Office declaring the month of May 2010 as Mental Health Month and May 5, 2010 as Suicide Prevention Day in the City of Owosso:

A PROCLAMATION
OF THE MAYOR'S OFFICE OF THE CITY OF OWOSSO, MICHIGAN
DESIGNATING MAY 2010 AS
MENTAL HEALTH MONTH
AND MAY 5, 2010 AS
SUICIDE PREVENTION DAY IN THE CITY OF OWOSSO

WHEREAS, May is Mental Health Month. More than 57 million Americans suffer from anxiety and depressive disorders each year. Likewise, family and friends will also be affected by a loved one's illness. There are effective treatments than can alleviate unnecessary suffering.

WHEREAS, depression is not your fault, it is a real illness with medical causes. However many people will not seek treatment because of the stigma associated with mental illness.

WHEREAS, integrated treatment for physical and emotional problems thru health care providers is most beneficial.

WHEREAS, there are over 32,000 deaths by suicide annually and for every suicide death there are 12-25 attempts.

WHEREAS, National, State and County Suicide Prevention Plans are attempting to educate the public.

WHEREAS, suicide is a public health problem that can be prevented. Suicide is never a good answer. It is a permanent solution to a problem that may be preventable.

WHEREAS, Shiawassee County Suicide Prevention Coalition (SCIPS) in collaboration with Shiawassee County Community Mental Health Authority is having a public educational awareness training on May 5th.

WHEREAS, citizens of Shiawassee County can fight stigma and help people be aware that there is treatment available and their lives can improve.

THEREFORE BE IT RESOLVED, that I, Benjamin R. Frederick, Mayor of the City of Owosso in the County of Shiawassee do hereby proclaim May as Mental Health month, and May 5th as Suicide Prevention Day in the City of Owosso, and further encourage all citizens of this community to work to prevent suicide and to raise awareness and tolerance around all people touched by mental illness.

Proclaimed this 3rd day of May, 2010.

PARKS & RECREATION PRESENTATION

Parks and Recreation Commission Chairperson Marsha Ladd and Commissioner Jerry Hebekeuser presented the annual Parks & Recreation Report. Included in the report were 5 goals for the coming year:

1. Advance the Bentley Park playscape project through work with the Steering Committee
2. Promote Owosso Youth Baseball through rebuilding of the concessions stand with the addition of bathroom facilities
3. Build the Sledding Hill at Holman Park
4. Pursue a BMX bike park at a park to be determined
5. Pursue the possibility of a dog park at a park to be determined

PUBLIC HEARINGS

COMMERCIAL REDEVELOPMENT DISTRICT – 534 EAST MAIN STREET

A public hearing was conducted to receive citizen comment regarding the establishment of a proposed Commercial Redevelopment District encompassing the property at 534 East Main Street.

Renita Mikolajczyk, Shiawassee Regional Chamber of Commerce President, indicated the Chamber had been working with Mr. Taylor on ways to renovate his building since 2009 and she hoped Council would support his efforts through the establishment of the Commercial Redevelopment District.

There were no further citizen comments.

Motion by Councilperson Eveleth to approve the following resolution authorizing the establishment of the proposed Commercial Redevelopment District:

RESOLUTION NO. 29-2010

TO APPROVE ESTABLISHING A COMMERCIAL REDEVELOPMENT DISTRICT AT 534 EAST MAIN STREET FOR T.A.P. ENTERPRISES, INC. (HARDEES)

WHEREAS, a request was received April 9, 2010, dated April 8, 2010, from T.A.P. Enterprises Inc. to establish a commercial redevelopment district consisting of Lots 1,2,3,4 and 5, Block 1, of Dewey and Stewarts Addition to the city of Owosso; and

WHEREAS, the Commercial Redevelopment Act, Act 255 of 1978, amended by Act 227 of 2008, is available to the City of Owosso; and

WHEREAS, the act permits the City of Owosso to establish a commercial redevelopment district; and

WHEREAS, a public hearing was held for the purpose of hearing comments from those within the proposed district, and any other resident or taxpayer, of the City of Owosso; and

WHEREAS, the city clerk has given notification as required by law and this act, and

WHEREAS, the City staff has investigated and determined that the qualifications of the act are satisfied and that:

1. the district will consist of one parcel of land
2. the district consists of obsolete commercial property which is part of an existing, developed commercial zone which was zoned commercial for three years before June 21, 1978; and
3. the property has experienced a decline in commercial activity
4. establishing this district will be a benefit to the City of Owosso as well as the local and regional economy

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that on this date, May 3, 2010, in accordance with the Commercial Redevelopment Act, Act 255 of 1978 as amended, does hereby approve this district.

Motion supported by Councilperson Martenis.

Roll Call Vote.

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

NAYS: None.

MSHDA HOUSING GRANT

A public hearing was conducted to receive citizen comment regarding the application for a Targeted Homeowner Rehabilitation Program grant through the Michigan State Housing Development Authority Housing Resource Fund.

Housing & Neighborhood Development Coordinator Sarah Warren-Riley indicated the grant application covered neighborhoods easily accessed from the downtown. She went on to say that the city has seen a deterioration in these neighborhoods and the hope is that the improvement of owner occupied homes will spur improvements in surrounding housing. She said that, should it be awarded, the number of homeowners that could utilize this grant would be based on the expenditures for each project and the City should know whether they have been chosen to receive the grant by June 1st.

There were no citizen comments.

Mayor Frederick indicated he was pleased to be moving forward with efforts to raise the level of housing stock in the City.

Motion by Councilperson Erfourth to support the grant application.

Motion supported by Councilperson Forster.

Roll Call Vote.

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

NAYS: None.

CITIZEN COMMENTS AND QUESTIONS

County Commissioner Bruce Robb relayed some of the recent decisions made by the Board of Commissioners including regulations for solid fuel outdoor furnaces and bonds for the mental health authority. He also indicated the recall effort for the County Commissioners was now dead as the deadline for submission of petitions had passed. He also indicated he had filed as a candidate for re-election in November.

Rick Morris of House of Wheels showed pictures of area BMX tracks as examples for the City's proposed track. He said there are many kids in town that ride bikes and a track would be well used.

Dave Baldwin, Trust Thermal owner, thanked Council for considering the establishment of an OPRA district for his building. He said he would be doing extensive renovations and tax abatements would help with that project.

Brent Jones of the Shiawassee Economic Development Partnership indicated he felt the Trust Thermal project was strong and would be an asset to the downtown.

Jeff Selbig, 760 Coventry Avenue, indicated that he has organized a group of citizens interested in the establishment of a dog park. They are currently developing proposals for the Parks & Recreation Commission.

Carl Porrit, 831 Grand Avenue, expressed his concern with the establishment of a BMX track in his neighborhood saying it would be noisy, kids would loiter after hours and traffic problems would be created. He said that while he felt the BMX track was not appropriate for the neighborhood he would welcome the dog park.

Burton Fox, Planning Commission Chairman, relayed the recent decisions of the Planning Commission saying that while they turned down the proposals they did a good job and examined each issue closely. He also noted his desire to see enforcement of downtown bike rules stepped up.

Shelva Cebulski, 1243 Marion Street, noted she was in favor of a dog park.

Eddie Urban, 601 Glenwood Avenue, suggested that if the pool is torn down the cement could be used as the base for a sledding hill. He also expressed a desire to see an educational effort on bike laws in light of the fact that a second child on a bike was hit last week.

Mayor Frederick noted the great Green Up Clean Up event over the weekend as well as the success of the Dancing with the Starz even saying it was nice to see so many people come out for community driven projects.

Councilperson Martenis noted that the move from 4 lanes to 3 lanes could improve the safety of south M-52 especially in light of the recent car/bike accident on M-21. He went on to detail his feelings on the projects proposed by the Parks & Recreation Commission in their annual report. He noted that some functions are more appropriate for certain locations and that the concerns of neighbors would be addressed.

Mayor Pro-Tem Popovitch announced the youth book sale at Walgreens with proceeds going to the Shiawassee County animal shelter. She went on to say she supports the establishment of a bike park in town and that she was happy to get the Nixle reports on the suspect at large earlier in the afternoon.

Councilperson Cook noted the Community Mental Health Authority is a great resource to the community. He thanked Commissioner Robb for his work with the organization. He went on to thank the Parks & Recreation Commission for their work as well as thanking community members for coming together on a host of issues.

CITY MANAGER REPORT

City Manager Crawford gave a brief detail of the proposed Tax Abatement Policy. There was Council discussion regarding potential changes to the proposal. It was agreed the proposed policy would be included on the May 17th agenda.

CONSENT AGENDA

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

Set Public Hearing - 2010-2011 City Budget. Set the required Public Hearing pursuant to Chapter 8 of the City Charter for May 17, 2010 to receive citizen comment regarding proposed 2010-2011 City Budget.

Traffic Control Order No. 1171 Amendment. Authorized amendment to Traffic Control Order No. 1171 regulating parking in the Exchange Street lot (Lot No. 5) to reflect the reconstruction of the lot.

Curwood Permission Amendment. Authorized amendment to the permissions granted and corresponding Traffic Control Order No. 1229 for the use of City streets and parking lots by the Curwood Festival to reflect the addition of the closure of Exchange Street from Water Street to a point 150 east of the intersection from 6:00 a.m. June 2, 2010 until the completion of the festival June 6, 2010.

Respite 5K Permission. Approved the application of Respite Volunteers of Shiawassee County for use of the following City streets from 8:00 a.m. to 11:00 a.m. on June 19, 2010 for a 5K fundraiser and authorized Traffic Control Order No. 1235 formalizing the action: Hopkins Lake Drive, Gute Street from Baker College Drive to Washington Street, South Washington Street from Gute Street to College Lane, and Palmer Avenue from the Baker College Campus around Hopkins Lake.

Memorial Day Parade Permission. Approved the application of The American Legion for use of the following City streets from 5:30 p.m. to 7:00 p.m. for annual Memorial Day Parade and authorized Traffic Control Order No. 1236 formalizing the action: Washington Street from Fayette Square to Oakwood Cemetery.

Boards and Commissions Appointment. Authorized the appointment of David Acton to the Downtown Development Authority/Owosso Main Street Board for a term expiring June 30, 2014 filling the vacant seat left by Michael Rice.

Warrant No. 402. Accepted Warrant No. 402 as presented.

Vendor	Description	Fund	Amount
Netarx, LLC	Network Engineering Support	General	\$14,280.00
Waste Management	Disposal Charges – WWTP	WWTP	\$5,787.56

Motion supported by Mayor Pro-Tem Popovitch.

Roll Call Vote.

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

NAYS: None.

ITEMS OF BUSINESS

OBSOLETE PROPERTY REHABILITATION DISTRICT – 210 SOUTH WATER STREET

Motion by Councilperson Eveleth to approve the following resolution setting a public hearing to receive citizen comment regarding the establishment of a Commercial Property Rehabilitation District at 210 South Water Street:

RESOLUTION NO. 30-2010

**SETTING PUBLIC HEARING TO CONSIDER ESTABLISHING
AN OBSOLETE PROPERTY REHABILITATION DISTRICT
FOR 210 SOUTH WATER STREET**

WHEREAS, request was received April 19, 2010, from Trust Thermal, to establish a Obsolete Property Rehabilitation District, described as COMM AT A PT N 42*09'00" W 56.17' FROM THE INT OF W LN WASHINGTON ST W/SW'LY LN WATER ST RES NO 3 ORIGINAL PLAT TH S 47*56' W 57.72' TH S 00*17'12" W 150. 14' TH N 55*37' W 283.22' TH N 47*51'E 225' TH S 42*09'E 164.71' TO POB .94 A MOL ALSO LAND LYING SW'LY OF ABOVE DESC TO RIVER .16 A MOL; and

WHEREAS, the Obsolete Property Rehabilitation Act, Act 146 of 2000, is available to the City of Owosso; and

WHEREAS, the act permits the City of Owosso to establish a Obsolete Property Rehabilitation District; and

WHEREAS, a Obsolete Property Rehabilitation District may consist of one or more parcels of land; and

WHEREAS, it must be determined that the district must consist of obsolete commercial property or commercial housing property as defined in 125.2782, Section 2 (h) of Act 146 of 2000; and

WHEREAS, it must be determined that establishing the district would be beneficial to the City of Owosso, as well as local and regional economy;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: the Owosso City Council sets a public hearing for May 17, 2010 on or about 7:30 p.m. in the council chambers for the purpose hearing comments for those within the proposed district, and any other resident or taxpayer, of the City of Owosso; and
- SECOND: the city clerk gives the notifications as required by law; and
- THIRD: the city staff is directed to investigate and determine if the qualifications of the act are satisfied and report findings at the hearing.

Motion supported by Councilperson Erfourth.

Roll Call Vote.

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

NAYS: None.

BONDING RESOLUTION – GENERAL OBLIGATION UNLIMITED TAX BONDS FOR STREET IMPROVEMENTS

City Manager Crawford explained how Items of Business Nos. 2 – 9 were related to the bonding question.

Motion by Councilperson Cook to authorize a resolution authorizing the issuance and sale of General Obligation Unlimited Tax Bonds for capital improvements in an amount not to exceed \$960,000 as follows:

RESOLUTION NO. 31-2010

City of Owosso County of Shiawassee, State of Michigan RESOLUTION AUTHORIZING ISSUANCE AND SALE OF 2010 UNLIMITED TAX GENERAL OBLIGATION BONDS

A RESOLUTION TO:

- Issue the first series of Bonds approved by the voters in 2008 for street improvements up to \$960,000;
- Bonds to be sold by Negotiated or Competitive 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 qualified electors of the City of Owosso, County of Shiawassee, Michigan (the "City") at the general election held on November 4, 2008, did by more than the required majority of those voting approve the following proposal:

CITY OF OWOSSO BOND PROPOSAL FOR STREET IMPROVEMENTS

Shall the City of Owosso, Shiawassee County, Michigan, borrow the principal sum of not to exceed One Million Nine Hundred Fifty Thousand Dollars (\$1,950,000) and issue its general obligation unlimited tax bonds therefore in one or more series, payable in not to exceed twenty-five (25) years from the date of issue of each series, for the purpose of paying the costs to the City of acquiring and constructing local and major street improvements throughout the City consisting of paving, repaving, reconstructing and improving streets and sidewalks, including necessary rights-of-way, proper drainage facilities and all necessary appurtenances and attachments thereto for the use of the City? The estimated millage to be levied in 2010 is .2996 mills (\$.2996 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is .3104 mills (\$.3104 per \$1,000 of taxable value).

AND WHEREAS, in pursuance of the authority granted by Act 279, Public Acts of Michigan, 1909, as amended, the City Charter, and the approving vote of the electors of the City, it is the determination of the City Council that at this time the first series of the unlimited tax general obligation bonds described in the proposal shall be issued in the principal amount of not-to-exceed Nine Hundred Sixty Thousand Dollars (\$960,000) (the "Bonds") in order to pay costs of Street Improvements as described in the proposal (the "Street Improvements"); and

WHEREAS, under the provisions of the Revised Municipal Finance Act, Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34") the City Council can authorize, within limitations which shall be contained in the authorization resolution, 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 for the purpose of paying costs of acquiring and constructing Street Improvements, including the costs incidental to the issuance, sale and delivery of the Bonds and, at the discretion of the Finance Director, capitalized interest in an amount sufficient to pay the interest due on the Bonds for a period of time to be determined by the Finance Director not exceeding the maximum period permitted by law. The Finance Director is hereby authorized to determine the aggregate principal sum of the Bonds to be issued, provided that the principal amount issued shall not exceed Nine Hundred Sixty Thousand Dollars (\$960,000).

The Bonds shall be designated as the 2010 UNLIMITED TAX GENERAL OBLIGATION 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 2010 and the date of the final maturity shall not be later than twenty-five (25) years from the date of delivery of the Bonds. 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 Bank of New York Mellon Trust Company, N.A., Detroit, Michigan is hereby appointed as bond registrar, paying agent and transfer agent (the "Transfer Agent*") for the Bonds, provided, however, in consultation with the initial purchaser of the Bonds the Finance Director may appoint a different transfer

agent which may be 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 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 2010 UNLIMITED TAX GENERAL OBLIGATION BOND DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The City hereby pledges its unlimited tax full faith and credit for the prompt payment of the Bonds. All proceeds from taxes levied for the Debt Retirement Fund shall be deposited into the Debt Retirement Fund as collected. Commencing with the year 2010 there shall be levied upon the tax rolls of the City for the purpose of the Debt Retirement Fund each year, in the manner required by the provisions of Act 34, Public Acts of Michigan, 2001, as amended, an amount sufficient so that the estimated collection therefrom will be sufficient to promptly pay, when due, the principal of and interest on the Bonds becoming due prior to the next annual tax levy; provided, however, that if at the time of making any such annual tax levy there shall be other funds available or surplus moneys on hand in the Debt Retirement Fund for the payment of principal of and interest on the Bonds, then credit therefore may be taken against such annual levy for the Debt Retirement Fund. The moneys deposited in the Debt Retirement Fund shall be specifically earmarked and 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 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.

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.

4. The Finance Director or Treasurer is authorized and directed to open a separate depository account designated as the 2010 UNLIMITED TAX GENERAL OBLIGATION 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 (a) accrued interest and premium, if any, and any capitalized interest which shall be deposited into the Debt Retirement Fund, and (b) 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 solely to pay the costs of the Street Improvements and to pay costs of issuance of the Bonds.

5. 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 2010 UNLIMITED TAX GENERAL
OBLIGATION BOND

<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
____ %	April 1, _____	_____, 2010	

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 October 1, 2010 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 such other transfer agent as the City may hereafter designate by notice mailed to the registered owner hereof 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, at the registered address.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$_____,000, issued for the purpose of paying costs of acquiring and constructing local and major street improvements throughout the City as the first series of bonds issued in pursuance of a vote of the qualified electors of the City voting thereon at the general election duly called and held on November 4, 2008.

For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged. This bond is payable out of the City's Debt Retirement Fund for this issue, and in order to make such payment, the City is required each year to levy taxes on all taxable property within the boundaries of the City for such payment, without limitation as to either rate or amount.

Bonds of this issue maturing on or prior to April 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 April 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 April 1, _____, at par plus accrued interest to the date fixed for redemption.

MANDATORY REDEMPTION

Bonds of this issue maturing April 1, _____ and April 1, _____ (the "Term Bonds**") are subject to mandatory sinking fund redemption by lot prior to maturity on April 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.

<u>Term Bonds due April 1, 20</u> <u>Redemption Dates</u> April 1, 20____ April 1, 20____ April 1, 20____ (maturity)	<u>Principal</u> <u>Amounts</u>	<u>Term Bonds due April 1, 20</u> <u>Redemption Dates</u> April 1, 20____ April 1, 20____ April 1, 20____ (maturity)	<u>Principal</u> <u>Amounts</u>
--	------------------------------------	--	------------------------------------

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.

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

7. If the Finance Director determines that it is in the best interests of the City to sell the Bonds by competitive sale, then 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 may be necessary if the principal amount of the Bonds is reduced or as the Finance Director may otherwise determine to be in the best interests of the City in consultation with Bond Counsel.

OFFICIAL NOTICE OF SALE
 \$960,000
 CITY OF OWOSSO
 County of Shiawassee, State of Michigan
 2010 UNLIMITED TAX GENERAL OBLIGATION 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 _____ day, _____, 2010, 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, Buhl Building - 535 Griswold, Suite 1850, Detroit, Michigan 48226-3699, when, simultaneously, the bids will be opened and read. The City will award or reject bids on that date.

FAXED BIDS, signed by the bidder, may be submitted by members of the Municipal Advisory Council of Michigan to MAC at fax number (313) 963-0943 or by any bidder to the City at fax (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 ____, 2010), and will bear interest from their date payable on October 1, 2010, and semiannually thereafter. The bonds will mature on April 1 of each year, as follows:

Year	<u>Principal Amount</u>	Year	<u>Principal Amount</u>	Year	<u>Principal Amount</u>
2011	\$15,000	2020	\$30,000	2029	\$50,000
2012	15,000	2021	30,000	2030	55,000
2013	20,000	2022	30,000	2031	60,000
2014	20,000	2023	35,000	2032	65,000
2015	20,000	2024	35,000	2033	65,000
2016	20,000	2025	40,000	2034	75,000
2017	20,000	2026	40,000	2035	75,000
2018	25,000	2027	45,000		
2019	25,000	2028	50,000		

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 therefore, 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

2011 to 2035, 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 April 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 April 1, 2020 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 April 1, 2021 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 April 1, 2020, 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 October 1, 2010 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to June____, 2010 in an amount equal to the price bid. June , 2010 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 were authorized by the voters of the City at an election held on November 4, 2008, and are issued for the purpose of paying the costs of street improvements. The bonds will pledge the full faith and credit of the City for payment of the principal and interest thereon and will be payable from ad valorem taxes which may be levied on all taxable property in the City without limitation as to rate or amount. 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 \$ _____ 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 by the City, 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 by the State of Michigan or by any taxing authority within the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

ISSUE PRICE CERTIFICATE: The successful bidder will be required to furnish, prior to the 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, as amended. 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 the 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 or such other place to be agreed upon. 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.

FURTHER INFORMATION: Further information with respect to said bonds may be obtained from Richard C. Williams, Finance Director, City of Owosso, phone (989) 725-0570, or from Bill Danhof or Juli Baker at Miller, Canfield, Paddock and Stone, P.L.C., Lansing, Michigan, as bond counsel to the City, phone (888) 487-2070.

NO OFFICIAL STATEMENT OR RATING: Because of the size of the bond issue, the City will not prepare a Preliminary or Final Official Statement. The City did not request a rating on the Bonds.

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 Unlimited Tax Bonds."*

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

8. 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.

9. 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.

10. The estimated period of usefulness of the Street Improvements to be constructed and acquired with proceeds of the Bonds is hereby declared to be not less than 25 years.

11. If the Finance Director determines that the City will reduce costs of issuance without a significant increase in interest expense if the City negotiates sale of the Bonds to a financial institution, then it is determined to be in the best interests of the City to negotiate the sale of the Bonds and the Finance Director is hereby authorized and directed on behalf of the City to negotiate sale of the Bonds to a bank or financial institution subject to the provisions and limitations of this Resolution.

If the Bonds are sold by competitive sale, then 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.

12. 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.

Approval of the matters delegated to the Finance Director under this Resolution may be evidenced by execution of a bond purchase agreement or certificate of sale for the Bonds.

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.

13. 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 including payment of costs of issuance including Municipal Advisory Council fee, State Treasury filing fee, transfer agent fees, bond counsel fees, publication of the Notice of Sale, and any other costs necessary to accomplish sale and delivery of the Bonds.

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

Motion supported by Councilperson Martenis.

Roll Call Vote.

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

NAYS: None.

BID AWARD – 2010 CURB AND GUTTER PROJECT

Motion by Councilperson Forster to authorize the bid from Sumbera Excavating, Inc. for the 2010 Curb and Gutter Project in the amount of \$53,658 and approved payment up to the contract amount as follows:

RESOLUTION NO. 32-2010

AUTHORIZING THE EXECUTION OF A CONTRACT FOR THE 2010 CURB AND GUTTER PROJECT WITH SUMBERA EXCAVATING

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has determined that a portion of the curb on the streets included in the 2010 Street Paving Program as well as the curb on various other streets in

the City have become misaligned and have deteriorated and that replacement is advisable, necessary and in the public interest; and

WHEREAS, the City of Owosso sought bids for the replacement of misaligned curbs as part of the 2010 Curb and Gutter Project; a bid was received from Sumbera Excavating; and it is hereby determined that Sumbera Excavating is qualified to provide such services and that it has submitted the lowest responsible and responsive bid;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to employ Sumbera Excavating for the replacement of misaligned curbs as part of the 2010 Curb and Gutter Project.
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached as Exhibit A, Contract for Services Between the City of Owosso, Michigan and Sumbera Excavating, with a \$53,658.00 bid.
- THIRD: The above expenses shall be paid from the General Fund until such time as the sale of the 2010 General Obligation Unlimited Tax Bonds are completed, upon which the Fund will be reimbursed.

Motion supported by Councilperson Erfourth.

Roll Call Vote.

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

NAYS: None.

BID AWARD – 2010 STREET PAVING PROJECT

Motion by Councilperson Erfourth to authorize bid from Ace Asphalt & Paving Company for the 2010 Street Paving Project in the amount of \$207,879.00 and approved payment up to the contract amount as follows:

RESOLUTION NO. 33-2010

AUTHORIZING THE EXECUTION OF A CONTRACT FOR THE 2010 STREET PAVING PROJECT WITH ACE ASPHALT & PAVING CO.

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has determined that the surfaces of Buckley Drive from Irene Street to Ward Street, Jerome Avenue from Gould Street to Oakwood Avenue, Meadow Drive from Buckley Drive to the South end, Park Street from Oliver Street to Goodhue Street, and Ward Street from Buckley Drive to Shady Lane Drive have deteriorated and that replacement is advisable, necessary and in the public interest; and

WHEREAS, the City of Owosso sought bids for milling and asphalt resurfacing as part of the 2010 Street Paving Project; a bid was received from Ace Asphalt & Paving Co.; and it is hereby determined that Ace Asphalt & Paving Co. is qualified to provide such services and that it has submitted the lowest responsible and responsive bid;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to employ Ace Asphalt & Paving Co. for milling and asphalt resurfacing as part of the 2010 Street Paving Project.
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached as Exhibit A, Contract for Services Between the City of Owosso, Michigan and Ace Asphalt & Paving Co., with a \$207,879.00 bid.
- THIRD: The above expenses shall be paid from the General Fund until such time as the sale of the 2010 General Obligation Unlimited Tax Bonds are completed, upon which the Fund will be reimbursed.

Motion supported by Councilperson Forster.

Roll Call Vote.

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

NAYS: None.

SPECIAL ASSESSMENT DISTRICT NO. 2010-01

Motion by Councilperson Eveleth to authorize Resolution No. 4 of the special assessment process setting a public hearing for May 17, 2010 to receive citizen comment regarding Special Assessment District No. 2010-01 for Buckley Drive from Irene Street to Ward Street for street reconstruction as follows:

RESOLUTION NO. 34-2010

WHEREAS, the City Council, after due and legal notice, has met and heard all persons affected by the proposed public improvement more particularly hereinafter described; and

WHEREAS, the City Council deems it advisable and necessary to proceed with said public improvement as more particularly hereinafter described.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to make and proceed with the following described public improvement and to defray a part or the whole cost, as more particularly hereinafter provided, by special assessment upon the property specially benefited: Buckley Drive from Irene Street to Ward Street.
2. The City Council hereby approves the plans for the aforesaid public improvement as prepared and presented by the City Manager and determines the estimated cost of said public improvement to be \$76,500 and approves said estimated cost and determines that the estimated life of said public improvement is twenty (20) years.
3. The City Council determines that of said total estimated cost, the sum of \$30,954.42 be paid by special assessment upon the property specially benefited, as more particularly hereinafter described.
4. The City Council hereby designates the following described property as the special assessment district upon which the special assessment shall be levied: Buckley Drive from Irene Street to Ward Street for street reconstruction.
5. The City Assessor shall prepare a special assessment roll including all lots and parcels of land within the special assessment district herein designated, and the Assessor shall assess to each such lot or parcel of land such relative portion of the whole sum to be levied against all lands in the special assessment district as the benefit to such lot or parcel of land bears to the total benefits to all lands in such district.

When the Assessor shall have completed the assessment roll, he shall file the special assessment roll with the City Clerk for presentation to the City Council.

Motion supported by Councilperson Cook.

Roll Call Vote.

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

NAYS: None.

SPECIAL ASSESSMENT DISTRICT NO. 2010-02

Motion by Councilperson Erfourth to authorize Resolution No. 4 of the special assessment process setting a public hearing for May 17, 2010 to receive citizen comment regarding Special Assessment District No. 2010-02 for Jerome Avenue from Gould Street to Oakwood Avenue for street reconstruction as follows:

RESOLUTION NO. 35-2010

WHEREAS, the City Council, after due and legal notice, has met and heard all persons affected by the proposed public improvement more particularly hereinafter described; and

WHEREAS, the City Council deems it advisable and necessary to proceed with said public improvement as more particularly hereinafter described.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to make and proceed with the following described public improvement and to defray a part or the whole cost, as more particularly hereinafter provided, by

special assessment upon the property specially benefited: Jerome Avenue from Gould Street to Oakwood Avenue.

2. The City Council hereby approves the plans for the aforesaid public improvement as prepared and presented by the City Manager and determines the estimated cost of said public improvement to be \$50,100 and approves said estimated cost and determines that the estimated life of said public improvement is twenty (20) years.
3. The City Council determines that of said total estimated cost, the sum of \$18,889.38 be paid by special assessment upon the property specially benefited, as more particularly hereinafter described.
4. The City Council hereby designates the following described property as the special assessment district upon which the special assessment shall be levied: Jerome Avenue from Gould Street to Oakwood Avenue for street reconstruction.
5. The City Assessor shall prepare a special assessment roll including all lots and parcels of land within the special assessment district herein designated, and the Assessor shall assess to each such lot or parcel of land such relative portion of the whole sum to be levied against all lands in the special assessment district as the benefit to such lot or parcel of land bears to the total benefits to all lands in such district.

When the Assessor shall have completed the assessment roll, he shall file the special assessment roll with the City Clerk for presentation to the City Council.

Motion supported by Mayor Pro-Tem Popovitch.

Roll Call Vote.

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

NAYS: None.

SPECIAL ASSESSMENT DISTRICT NO. 2010-03

Motion by Councilperson Forster to authorize Resolution No. 4 of the special assessment process setting a public hearing for May 17, 2010 to receive citizen comment regarding Special Assessment District No. 2010-03 for Meadow Drive from Buckley Drive to the south end for street reconstruction as follows:

RESOLUTION NO. 36-2010

WHEREAS, the City Council, after due and legal notice, has met and heard all persons affected by the proposed public improvement more particularly hereinafter described; and

WHEREAS, the City Council deems it advisable and necessary to proceed with said public improvement as more particularly hereinafter described.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to make and proceed with the following described public improvement and to defray a part or the whole cost, as more particularly hereinafter provided, by special assessment upon the property specially benefited: Meadow Drive from Buckley Drive to the south end.
2. The City Council hereby approves the plans for the aforesaid public improvement as prepared and presented by the City Manager and determines the estimated cost of said public improvement to be \$70,900 and approves said estimated cost and determines that the estimated life of said public improvement is twenty (20) years.
3. The City Council determines that of said total estimated cost, the sum of \$29,034.18 be paid by special assessment upon the property specially benefited, as more particularly hereinafter described.
4. The City Council hereby designates the following described property as the special assessment district upon which the special assessment shall be levied: Meadow Drive from Buckley Drive to the south end for street reconstruction.
5. The City Assessor shall prepare a special assessment roll including all lots and parcels of land within the special assessment district herein designated, and the Assessor shall assess to each such lot or parcel of land such relative portion of the whole sum to be levied against all lands in the special assessment district as the benefit to such lot or parcel of land bears to the total benefits to all lands in such district.

When the Assessor shall have completed the assessment roll, he shall file the special assessment roll with the City Clerk for presentation to the City Council.

Motion supported by Councilperson Erfourth.

Roll Call Vote.

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

NAYS: None.

SPECIAL ASSESSMENT DISTRICT NO. 2010-04

Motion by Councilperson Martenis to authorize Resolution No. 4 of the special assessment process setting a public hearing on May 17, 2010 to receive citizen comment regarding Special Assessment District No. 2010-04 for Park Street from Oliver Street to Goodhue Street for street reconstruction as follows:

RESOLUTION NO. 37-2010

WHEREAS, the City Council, after due and legal notice, has met and heard all persons affected by the proposed public improvement more particularly hereinafter described; and

WHEREAS, the City Council deems it advisable and necessary to proceed with said public improvement as more particularly hereinafter described.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to make and proceed with the following described public improvement and to defray a part or the whole cost, as more particularly hereinafter provided, by special assessment upon the property specially benefited: Park Street from Oliver Street to Goodhue Street.
2. The City Council hereby approves the plans for the aforesaid public improvement as prepared and presented by the City Manager and determines the estimated cost of said public improvement to be \$16,000 and approves said estimated cost and determines that the estimated life of said public improvement is twenty (20) years.
3. The City Council determines that of said total estimated cost, the sum of \$7,432.92 be paid by special assessment upon the property specially benefited, as more particularly hereinafter described.
4. The City Council hereby designates the following described property as the special assessment district upon which the special assessment shall be levied: Park Street from Oliver Street to Goodhue Street for street reconstruction.
5. The City Assessor shall prepare a special assessment roll including all lots and parcels of land within the special assessment district herein designated, and the Assessor shall assess to each such lot or parcel of land such relative portion of the whole sum to be levied against all lands in the special assessment district as the benefit to such lot or parcel of land bears to the total benefits to all lands in such district.

When the Assessor shall have completed the assessment roll, he shall file the special assessment roll with the City Clerk for presentation to the City Council.

Motion supported by Councilperson Erfourth.

Roll Call Vote.

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

NAYS: None.

SPECIAL ASSESSMENT DISTRICT NO. 2010-05

Motion by Mayor Pro-Tem Popovitch to authorize Resolution No. 4 of the special assessment process setting a public hearing for May 17, 2010 to receive citizen comment regarding Special Assessment District No. 2010-05 for Ward Street from Buckley Drive to Shady Lane Drive for street reconstruction as follows:

RESOLUTION NO. 38-2010

WHEREAS, the City Council, after due and legal notice, has met and heard all persons affected by the proposed public improvement more particularly hereinafter described; and

WHEREAS, the City Council deems it advisable and necessary to proceed with said public improvement as more particularly hereinafter described.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Council hereby determines to make and proceed with the following described public improvement and to defray a part or the whole cost, as more particularly hereinafter provided, by special assessment upon the property specially benefited: Ward Street from Buckley Drive to Shady Lane Drive.
2. The City Council hereby approves the plans for the aforesaid public improvement as prepared and presented by the City Manager and determines the estimated cost of said public improvement to be \$31,500 and approves said estimated cost and determines that the estimated life of said public improvement is twenty (20) years.
3. The City Council determines that of said total estimated cost, the sum of \$11,235.96 be paid by special assessment upon the property specially benefited, as more particularly hereinafter described.
4. The City Council hereby designates the following described property as the special assessment district upon which the special assessment shall be levied: Ward Street from Buckley Drive to Shady Lane Drive for street reconstruction.
5. The City Assessor shall prepare a special assessment roll including all lots and parcels of land within the special assessment district herein designated, and the Assessor shall assess to each such lot or parcel of land such relative portion of the whole sum to be levied against all lands in the special assessment district as the benefit to such lot or parcel of land bears to the total benefits to all lands in such district.

When the Assessor shall have completed the assessment roll, he shall file the special assessment roll with the City Clerk for presentation to the City Council.

Motion supported by Councilperson Forster.

Roll Call Vote.

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

NAYS: None.

VSCI GRANT ADVANCEMENT - LEBOWSKY FACADE PROJECT

City Manager Crawford noted that OCP was in need of \$20,000 to pay for the move of power lines prior to the commencement of construction and a drawdown of VSCI Grant funds may take a few weeks. An advancement from the CDBG Fund could be fronted with repayment coming from the VSCI drawdown.

He said that work on the second mortgage is underway though OCP has yet to agree to it. He went on to say that the DDA is highly leveraged on this project and a second mortgage would help to mitigate costs born by the City should the project fail, especially in light of the fact that the developer refuses to put up a performance bond.

Motion by Councilperson Erfourth to approve a resolution authorizing the advancement of \$20,000 of Community Development Block Grant Funds to the Owosso Community Players to commence the Lebowsky Center Rebuild Project until such time as the VSCI drawdown is received from the State of Michigan as follows:

RESOLUTION NO. 39-2010

AUTHORIZING THE ADVANCEMENT OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS IN THE AMOUNT OF \$20,000 TO THE OWOSSO COMMUNITY PLAYERS

WHEREAS, the developer must make a deposit to Consumers Power Company for the moving of electrical utility lines;

WHEREAS, it will take three or more weeks to receive a drawdown from the state of Michigan which will delay the project;

NOW THEREFORE BE IT RESOLVED that the city council of the city of Owosso, Shiawassee County, Michigan that \$20,000 be advanced from the Community Development Block Grant Fund to the Owosso Community Players until such time that a drawdown is received from the state of Michigan.

Motion supported by Councilperson Martenis.

Roll Call Vote.

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

NAYS: None.

COMMUNICATIONS

Liquor Control Commission. 15-day notice of transfer of location for SDD license.

Scott Newman. Letter of resignation from the Historical Commission.

Richard C. Williams, Finance Director. Transmittal of 2010-2011 City of Owosso Proposed Budget. (*To be distributed at Council meeting.*)

Richard C. Williams, Finance Director. March 2010 Revenue & Expenditure Reports.

Owosso Historical Commission. Minutes of Meeting of April 20, 2010.

Westown Corridor Improvement Authority. Minutes of the Meeting of April 14, 2010.

City Manager Crawford informed the Council the Public Safety Department would be performing the normal investigation brought about by the request to transfer a liquor license.

CITIZEN COMMENTS AND QUESTIONS

Shelva Cebulski, 1243 Marion Street, thanked Parks & Recreation Chairperson Ladd for her presentation. She said she hoped the BMX track would come to fruition to give kids more places to play. She also expressed concern about 3 lane highways saying many people get killed when they use the third lane as a passing lane. It was noted that many years ago passing was allowed in the third lane but that was changed because of the danger it presented.

Brent Jones of the SEDP indicated he had reviewed the proposed tax abatement policy and he offered his thoughts on amendments to the policy.

County Commissioner Bruce Robb continued his comments regarding the bonds for the Mental Health Authority saying they plan on using the savings brought by the bonds to pay for additional bonds to construct a sensory clinic targeting children with autism.

Councilperson Forster said she appreciated the work of the Parks & Recreation Commission but she had received several calls from people that thought proposed park plans were already approved and underway. She asked that the Commission approach the neighbors surrounding the parks and keep communication on the various projects open.

Councilperson Martenis indicated his agreement with Councilperson Forster's comments on communication. He also noted that he was present at a banquet honoring SATA drivers over the weekend and he would be speaking at the Council on Aging covering current city related items.

Councilperson Cook noted the groundbreaking ceremony for the Lebowsky Center Rebuild Project on May 12, 2010 at 4:00 p.m.

NEXT MEETING

Special Meeting: May 10, 2010 at 7:00 pm

Special Meeting: May 12, 2010 at 7:00 pm

Regular Meeting: May 17, 2010 at 7:30 pm

BOARDS AND COMMISSIONS OPENINGS

Historical Commission, term expiring 12-31-2011

ADJOURNMENT

Motion by Councilperson Eveleth for adjournment at 9:56 p.m.

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

Benjamin R. Frederick, Mayor

Amy K. Kohagen, City Clerk