

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF JULY 6, 2026
6:30 P.M.
VIRGINIA TEICH CITY COUNCIL CHAMBERS**

PRESIDING OFFICER: MAYOR ROBERT J. TEICH, JR.

OPENING PRAYER: PASTOR BILL MOULL
OWOSSO FREE METHODIST CHURCH

PLEDGE OF ALLEGIANCE: MAYOR CHRISTOPHER T. EVELETH

PRESENT: Mayor Robert J. Teich, Jr., Mayor Pro-Tem Jerome C. Haber,
Councilmembers Carl C. Ludington, Emily S. Olson and Rachel
M. Osmer.

ABSENT: Councilmembers Janae L. Fear and Christopher D. Owens.

APPROVE AGENDA

Motion by Councilmember Ludington to approve the agenda with the following additions and corrections:

CONSENT AGENDA – CORRECTIONS

2. Professional Services Agreement Extension - Planning Consultant. As previously noted, please find attached the new memorandum and resolution for this item, correcting the length of the extension from one year to two.
8. Tentative Bid Award – 2026 Water Main Replacement – Contract 1. Please find attached, corrections to the bid tab, amending particular line items to correctly allocate costs.

CONSENT AGENDA – ADDITIONS

15. Traffic Control Order - Moonlight Market. Approve the request from Stephen Schlaack, owner of Owosso Farmers Market, LLC, for the closure of Curwood Castle Drive from M-52 to Shiawassee Arts Center on Thursday, July 9, 16, 23, 30, and August 6th from 2:00 p.m. - 10:00 p.m. for the Moonlight Market event, and further approve Traffic Control Order No. 1559 formalizing the action.
16. Traffic Control Order – Semi Parade. Approve the request from the Shiawassee County Ag Society for the temporary closure of intersections along the parade route of Corunna Ave. from the west City border to Washington St., Washington St. from Corunna Ave. to Main St., Main St. from Washington St. to the east border on Saturday, August 8, 2026 from 9:00 p.m. – 11:00 p.m. for the annual semi-truck parade, and further approve Traffic Control Order No. 1560 formalizing the action.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF JUNE 15, 2026

Motion by Councilmember Osmer to approve the Minutes of the Regular Meeting of June 15, 2026 as presented.

Motion supported by Councilmember Ludington and concurred in by unanimous vote.

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

None.

CITIZEN COMMENTS

Sam McLaren, 721 W. Oliver Street, expressed his frustration in trying to get water service to a commercial property that he is developing. The latest estimate he received is approximately \$40,000 for water service and fire suppression connections. He accused the City of not following its stated policies and contracts.

Mike Cline, 204 Stratford Drive, asked why we have parking enforcement if each year we write-off \$15,000 in unpaid tickets, if the City will take care of the tree in the river behind the old YWCA since they are going to own the property, and code enforcement at a City Councilmember's home.

Christopher Eveleth, Shiawassee Health & Wellness Community Relations & Grant Manager, reported on the agency's activities in 2025, including the implementation of a 24/7 mobile crisis unit thanks to a state grant. They will continue to help people where they are at, and potentially help them avoid jail and/or avoid an emergency room visit.

Bill Moull, 1335 W. North Street, said he has seen a huge increase in the use of golf carts, ATVs, and other alternate transportation on City streets in the past couple of years. He is concerned that the children riding in said vehicles could be tragically injured if a crash were to happen. He asked the City to try and get ahead of this issue before we have a tragedy.

Robert Doran-Brockway, Program Director for America 250 MI, reported that the organization has given away over \$3,000,000 in grant funding over the past 5 years and that they are coordinating an initiative all over the country to read the Declaration of Independence this Wednesday at 6:00 p.m.

Ashley Stevens, 1438 W. Main Street, spoke about the residences in her neighborhood that are housing people with substance abuse problems. She said she has had a problem with theft on her property, and she worries about what influence the situation will have on her young son. She said she was frustrated and asked what could be done about the situation.

COUNCIL COMMENTS

Councilmember Osmer reminded everyone of the free concerts and the Moonlight Market starting this Thursday at the Amphitheater. She also encouraged community leaders to attend the upcoming Shiawassee Recycles Community Leaders Meeting.

Councilmember Olson said she is concerned about the safety of onlookers when people do burnouts on Park Street near Taco Bell. She asked if there was something the City could do to safeguard people. City Manager Henne said that it would not be a good idea for the City to sanction a burnout contest on City property. All police officers will be on duty that weekend in an effort to keep people safe.

Councilmember Olson suggested the City put together a PR plan putting people on notice that violators will be ticketed.

Mayor Teich announced the Hooked on Downtown event that will be going on throughout the downtown on Fridays during the month of July. He encouraged everyone to participate.

CONSENT AGENDA

Motion by Councilmember Olson to approve the Consent Agenda as follows:

Boards and Commissions Appointments. Approve the following Mayoral Boards and Commissions appointments:

Name	Board/Commission	Term Expires
Erin Powell*	Downtown Historic District Commission	6-30-2029

* Indicates reappointment

***Professional Services Agreement Extension - Planning Consultant.** Authorize extension of the professional services agreement with OHM Advisors for the provision of planning, zoning and development advisory services for a two-year period beginning July 1, 2026, and further authorize payment to the professional according to the terms of the contract as follows:

RESOLUTION NO. 100-2026

**AUTHORIZE THE PROFESSIONAL SERVICES AGREEMENT WITH
OHM ADVISORS FOR PLANNING, ZONING AND DEVELOPMENT
ADVISORY SERVICES**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, wishes to enter into an agreement for professional planning services with OHM Advisors; and

WHEREAS, on May 6, 2019, the Owosso City Council approved a three (3) year contract with CIB Planning, Inc. for planning, zoning and development advisory services as the result of a competitive bidding process; and

WHEREAS, on June 6, 2022, the Owosso City Council approved a three (3) year contract renewal with CIB Planning, Inc. for the period through June 30, 2025, with one (1) year optional extensions; and

WHEREAS, on July 7, 2025, the Owosso City Council approved an additional 1-year period; and

WHEREAS, late 2025, CIB Planning, Inc. merged with OHM Advisors.

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

FIRST: it has been heretofore determined that it is advisable, necessary and in the public interest to approve the Professional Services Agreement for planning, zoning and development advisory services with OHM Advisors for the period affective July 6, 2026 for two (2) years.

SECOND: the mayor and city clerk are instructed and authorized to sign the contract substantially in the form attached: Professional Services Agreement for ongoing Planning, Zoning and Development Advisory Services.

Payment Authorization – Emergency Pump Repair - Secondary Influent Pump #1. Authorize Services to MJO Holdings Corporation, DBA Professional Pump, for \$19,980.00 for the emergency repair of pump components of Secondary Influent Pump #1 and approve payment upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 101-2026

AUTHORIZING SERVICES AGREEMENT BETWEEN THE CITY OF OWOSSO AND PROFESSIONAL PUMP OF BELLEVILLE, MICHIGAN FOR EMERGENCY REPAIR OF SECONDARY INFLUENT PUMP #1

WHEREAS, the City of Owosso, Shiawassee County, Michigan, is required to handle a constant supply of wastewater from its City and regional customers in accordance with state and federal regulatory requirements, and

WHEREAS, the ability to pump and treat wastewater on demand from customers is compromised when pumps become worn out or inoperable, and

WHEREAS, the City's Director of Public Services and Utilities has reviewed the necessity for the purchase of services for the repair of pump components of Secondary Influent Pump #1, and recommends authorizing MJO Holdings Corporation, DBA Professional Pump to provide these services in the amount of \$19,980.00.

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 authorize a services agreement with Professional Pump of Belleville, Michigan for emergency repairs of Secondary Influent Pump #1, and to waive the competitive solicitation process as normally required by the City Purchasing Policy.

SECOND: The Mayor and/or City Clerk are instructed and authorized to sign the purchase services agreement as prepared by the City Clerk.

THIRD: The accounts payable department is authorized to submit payment to Professional Pump in the amount of \$19,980.00.

FOURTH: The above expenses shall be paid from account no. 599-901-977.000.

Master Plan Implementation Goals: 3.4, 3.7

Quiet Title Action. Authorize the City Attorney to initiate a quiet title action in Shiawassee County Circuit Court under MCL 600.2932 to establish clear and marketable title to the Carnegie Library Property as follows:

RESOLUTION NO. 102-2026

AUTHORIZING THE CITY ATTORNEY TO INITIATE QUIET TITLE ACTION REGARDING THE CARNEGIE LIBRARY PROPERTY

WHEREAS, the City of Owosso, Shiawassee County, Michigan, owns, or claims an ownership interest in, the real property located at 500 W. Main Street, known as the Carnegie Library Property, Parcel No. 050-120-008-008-00 (the "Property"); and

WHEREAS, the City's chain of title to the Property includes a reverter clause and/or other defect that clouds clear and marketable title, impairing the City's ability to plan, finance, or convey the Property; and

WHEREAS, MCL 600.2932 authorizes the City to seek a judicial determination quieting title to the Property, and the City Council finds it is in the public interest to resolve this title defect.

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

FIRST: The City Attorney is authorized to initiate a quiet title action in the Shiawassee County Circuit Court to establish clear and marketable title in the City of Owosso to the Property described above.

SECOND: The City Attorney is authorized to identify and join all necessary parties and take legal action reasonably necessary to execute the action.

***Contract Authorization — Public Safety Vehicle Equipment Changeover.** Waive competitive bidding requirements, authorize contract with Mid Michigan Emergency Equipment Sales and Service L.L.C. for the removal, supply, and installation of public safety equipment in one (1) new police utility vehicle in an amount not to exceed \$14,757.00, and further authorize payment to the vendor upon satisfactory completion of the work as follows:

RESOLUTION NO. 103-2026

AUTHORIZING THE EXECUTION OF A CONTRACT FOR REMOVAL, SUPPLY, AND INSTALLATION OF PUBLIC SAFETY EQUIPMENT IN A NEW POLICE VEHICLE WITH MID MICHIGAN EMERGENCY EQUIPMENT SALES AND SERVICE LLC

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has purchased a new police vehicle that needs to have equipment installed in them; and

WHEREAS, the new vehicles will require additional new public safety equipment to be properly outfitted for service; and

WHEREAS, the City of Owosso received a quote from Mid-Michigan Emergency Equipment Sales and Service LLC for the removal of the old equipment, supply of select pieces of new equipment, and the installation of all said equipment; and it is hereby determined that this company is qualified to perform the work requested; and

WHEREAS, a waiver of the bidding requirements is requested as professional services are exempt from competitive bidding.

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

FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to contract with Mid-Michigan Emergency Equipment Sales and Service LLC for the removal, purchase, and installation of public safety equipment in City Police vehicles in the amount of \$14,757.00.

SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached, Contract for Services between the City of Owosso, Michigan and Mid-Michigan Emergency Equipment Sales and Service LLC.

THIRD: The Accounts Payable Department is hereby authorized to issue payment to Mid-Michigan Emergency Equipment Sales and Service LLC in the amount of \$14,757.00 upon delivery of the equipment and satisfactory completion of the work.

FOURTH: The above expenses shall be paid from the Police equipment fund 101-301-978.000.

Master Plan Implementation Goals: 3.8

CDBG Round 1 Contractors Quotes - Grant Contractors. Approve CDBG Round 1 Contractors' Quotes #6 in the amount of \$46,490.00 and approve reductions to related POs in the amount of \$16,652.00 as part of a CDBG housing grant and further authorize payment to the contractor(s) upon satisfactory completion of the project(s) or portion thereof as follows:

RESOLUTION NO. 104-2026

**APPROVING CDBG ROUND 1
CONTRACTORS' QUOTES #6 FOR INTERIOR AND EXTERIOR HOME IMPROVEMENTS**

WHEREAS, the City of Owosso received a CDBG Grant in the amount of \$926,300 for interior and exterior home improvements; and

WHEREAS, the homeowners sought out quotes from local general contractors; and

WHEREAS, the homeowners selected the lowest, responsive quote and wish to proceed with their interior and exterior home improvements; and

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

FIRST: It has heretofore determined that it is advisable, necessary and in the public interest to approve Contractors' Quotes #6 for CDBG Grant NDD-2023-37-CDG in the amount of \$46,490.00 and approve deductions of POs in the amount of \$-16,652.00.

SECOND: The City Manager and the Community Development Director, having been previously designated as authorized signers for the grant, are instructed and authorized to sign homeowner and contractor contracts.

THIRD: The Accounts Payable department is authorized to pay as follows:

<u>CLE Construction</u>		
W Stewart St (2)	\$26,500.00	(addition to PO 47770)
N Chipman St	\$11,000.00	(addition to PO 47770)
<u>Keyes Quality Construction</u>		
S Park St	\$-6,027.00	(deduction to PO 47761)
E Mason St (2)	\$ 8,990.00	(addition to PO 47761)
<u>Curb Appeal</u>		
N Chipman St	\$-10,625.00	(deduction to PO 47818)

FOURTH: The above expenses shall be paid from the Housing & Redevelopment Fund 254-200-818.000 CDBGHRGP24.

Master Plan Implementation Goals: 1.1, 1.9, 1.13, 6.6

***Purchase Authorization — Computers in Police Vehicles.** Waive competitive bidding requirements and approve the purchase of ten (10) Dell Pro Rugged 14 RB 14250 computers in an amount not to exceed \$29,801.30 through MiDEAL Contract#071 B6600111 and further authorize payment to the vendor upon delivery as follows:

RESOLUTION NO. 105-2026

AUTHORIZING THE PURCHASE OF DELL COMPUTERS

WHEREAS, the City of Owosso, Shiawassee County, Michigan , has a Police Department that requires the use of computers; and

WHEREAS, the Police Department existing computers have reached the end of their operational life; and

WHEREAS, the purchase of ten (10), new Dell Pro Rugged 14 RB14250 computers for the Police Department will provide reliable equipment; and

WHEREAS, Dell Technologies has provided a quote in the amount of \$29,801.30 for the required computers through the State of Michigan MIDEAL cooperative purchasing contract 071B6600111; and

WHEREAS, funding for this purchase is available in the Police Department Equipment fund 101-301-978.000.

NOW THEREFORE BE IT RESOLVED that the Mayor and City Council of the City of Owosso approve the purchase of the computers.

Master Plan Implementation Goals: 3.8

Tentative Bid Award —2026 Water Main Replacement—Contract 1. Waive competitive bidding requirements and approve the tentative bid award to The Glaeser-Dawes Corporation, for the 2026 Water Main Replacement Project—Contract 1 in the amount of \$4,519,131.02, contingent upon the receipt of DWSRF bond proceeds, and further approve payment up to the contract amount upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 106-2026

**A RESOLUTION AUTHORIZING TENTATIVE AWARD FOR THE
2026 WATER MAIN REPLACEMENT PROJECT – CONTRACT 1
FOR WATER SYSTEM IMPROVEMENTS**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, wishes to construct improvements to its existing water distribution system; and

WHEREAS, the water system improvements project formally adopted on May 20, 2024 will be funded through the State of Michigan’s Drinking Water State Revolving Fund (DWSRF) program; and

WHEREAS, the City of Owosso has sought and received construction bids for the proposed improvements and has received a low bid in the amount of \$4,519,124.19 from Glaeser Dawes Corporation; and

WHEREAS, the City of Owosso’s Director of Public Services & Utilities, Ryan E. Suchanek, has recommended awarding the contract to the low responsive bidder.

NOW THEREFORE BE IT RESOLVED that the City of Owosso tentatively awards the contract for construction of the proposed water system improvements project to Glaeser Dawes Corporation, contingent upon successful financial arrangements with the DWSRF.

Master Plan Implementation Goals: 3.4, 3.7, 3.8, 6.6

Tentative Bid Award —2026 Water Main Replacement—Contract 2. Approve the tentative bid award to The Glaeser-Dawes Corporation, for the 2026 Water Main Replacement Project—Contract 2 in the amount of \$2,640,530.95, contingent upon the receipt of DWSRF bond proceeds, and further approve payment up to the contract amount upon satisfactory completion of the work or portion thereof as follows:

RESOLUTION NO. 107-2026

**AUTHORIZING TENTATIVE AWARD FOR THE
2026 WATER MAIN REPLACEMENT PROJECT – CONTRACT 2
FOR WATER SYSTEM IMPROVEMENTS**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, wishes to construct improvements to its existing water distribution system; and

WHEREAS, the water system improvements project formally adopted on May 20, 2024 will be funded through the State of Michigan’s Drinking Water State Revolving Fund (DWSRF) program; and

WHEREAS, the City of Owosso has sought and received construction bids for the proposed improvements and has received a low bid in the amount of \$2,640,530.95 from Glaeser Dawes Corporation; and

WHEREAS, the City of Owosso’s Director of Public Services & Utilities, Ryan E. Suchanek, has recommended awarding the contract to the low responsive bidder.

NOW THEREFORE BE IT RESOLVED that the City of Owosso tentatively awards the contract for construction of the proposed water system improvements project to Glaeser Dawes Corporation, contingent upon successful financial arrangements with the DWSRF.

Master Plan Implementation Goals: 3.4, 3.7, 3.8, 6.6

Bid Award - Sand & Gravel, Selection #1. Accept the low bid of S.A. Smith Paving & Trucking, Inc. dba Smith Sand & Gravel in the amount of \$6.00 per ton for Class II Sand, \$32.50 per ton for 21AA Limestone, \$37.50 per ton for 6AA Limestone, and \$21.50 per ton for 6A Gravel for fiscal year 2026-2027 and authorize payment in accordance with unit prices estimated at \$48,025.00 for the fiscal year ending June 30, 2027.

Please see the next item for the resolution.

Bid Award - Sand & Gravel, Selection #2. Accept the low bid of Ocenasek, Inc of Perry, Michigan for 22A Gravel in the amount of \$14.75 per ton, \$43.20 per ton for H1 Limestone Chip, \$69.00 per ton for Field Stone Riprap and authorize payment in accordance with unit prices estimated at \$25,470.00 for the fiscal year ending June 30, 2027 as follows:

RESOLUTION NO. 108-2026

AUTHORIZING THE PURCHASE AND DELIVERY OF A SAND, GRAVEL, AND LIMESTONE FROM SMITH SAND & GRAVEL OF OWOSSO, MICHIGAN, AND OCENASEK INC. OF PERRY, MICHIGNAN

WHEREAS, the City of Owosso, Shiawassee County, Michigan requires backfill sand to fill underground trenches, gravel and limestone for use in permanent street patches and other City properties; and

WHEREAS, the City sought bids for Class II backfill sand, 22A gravel, 21AA Limestone, 6AA limestone, H1 limestone chip, Fieldstone Riprap, and 6A Gravel fiscal year 2026-2027; and

WHEREAS, it is hereby determined that S.A. Smith Paving & Trucking, Inc. dba Smith Sand & Gravel and Ocenasek, Inc. are qualified to provide such products and have submitted the lowest responsible and responsive bids; and

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 award the sand, gravel, and limestone bids to S.A. Smith Paving & Trucking, Inc. dba Smith Sand & Gravel in the amounts of: \$6.00 per ton for Class II Sand, \$32.50 per ton for 21AA Limestone, \$37.50 per ton for Limestone 6AA, and \$21.50 per ton for 6A Gravel for fiscal year ending June 30, 2027.
- SECOND: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to award gravel, limestone, and fieldstone bids to Ocenasek, Inc. of Perry, Michigan in the amounts of: \$14.75 per ton for 22A Gravel, \$43.20 per ton for Limestone H1, and \$69.00 per ton for Fieldstone Riprap for fiscal year ending June 30, 2027.
- THIRD: The contracts between the City of Owosso and the companies above shall be in the form of Purchase Orders.
- FOURTH: The accounts payable department is authorized to pay S.A. Smith Paving & Trucking, Inc. dba Smith Sand & Gravel per ton amount listed above for an estimated amount of \$48,025.00, which may exceed based on usage and actual need.
- FIFTH: The accounts payable department is authorized to pay Ocenasek, Inc. per ton amount listed above, for an estimated amount of \$25,470.00, which may exceed based on usage and actual need.
- SIXTH: The above expenses shall be paid from the Water and Wastewater Annual Operating Funds, and Local and Major Street Annual Operating Funds.

***AP Check Register – June 2026.** Affirm Accounts Payable check disbursements totaling \$2,178,093.98 for May 31, 2026, to June 23, 2026.

***Payroll Check Register – June 2026.** Affirm Payroll check disbursements totaling \$1,426,294.07 for the period from May 28, 2026, to June 25, 2026.

Warrant No. 667. Authorize Warrant No. 667 as follows:

Vendor	Description	Fund	Amount
Caledonia Charter Twp	Quarterly Payment per Water District Agreement	WATER	\$64,815.22
Owosso Charter Township	Quarterly Payment per Water Agreement	WATER	\$23,763.85
		TOTAL	\$88,579.07

Traffic Control Order - Moonlight Market. (This item was added to the agenda.) Approve the request from Stephen Schlaack, owner of Owosso Farmers Market, LLC, for the closure of

Curwood Castle Drive from M-52 to Shiawassee Arts Center on Thursday, July 9, 16, 23, 30, and August 6th from 2:00 p.m. - 10:00 p.m. for the Moonlight Market event, and further approve Traffic Control Order No. 1559 formalizing the action.

Traffic Control Order – Semi Parade. (This item was added to the agenda.) Approve the request from the Shiawassee County Ag Society for the temporary closure of intersections along the parade route of Corunna Ave. from the west City border to Washington St., Washington St. from Corunna Ave. to Main St., Main St. from Washington St. to the east border on Saturday, August 8, 2026 from 9:00 p.m. – 11:00 p.m. for the annual semi-truck parade, and further approve Traffic Control Order No. 1560 formalizing the action.

Motion supported by Councilmember Osmer.

Roll Call Vote.

AYES: Councilmembers Osmer, Ludington, Mayor Pro-Tem Haber, Councilmember Olson and Mayor Teich.

NAYS: None.

ABSENT: Councilmembers Fear and Owens.

ITEMS OF BUSINESS

Ordinance Adoption – Bonding for DWRF Financing

Master Plan Implementation Goals: 3.4, 3.7

Motion by Councilmember Olson to adopt the following ordinance authorizing and providing for the issuance of Revenue Bonds under the Drinking Water Revolving Fund (DWRF) program for water treatment plant, wells and water distribution system improvements under the provisions of Act 94, Public Acts of Michigan, 1933, as amended:

ORDINANCE NO. 851

A SUPPLEMENTAL ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY THE COST OF THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THE WATER SUPPLY SYSTEM OF THE CITY OF OWOSSO; TO PRESCRIBE THE FORM OF THE SERIES 2026 BOND; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE SERIES 2026 BOND; TO PROVIDE FOR SECURITY FOR THE SERIES 2026 BOND; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF REVENUES OF THE SYSTEM; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE SERIES 2026 BOND IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE SERIES 2026 BOND AND THE SYSTEM.

THE CITY OF OWOSSO ORDAINS:

Section 1. **2026 SUPPLEMENTAL ORDINANCE.** This ordinance (hereinafter referred to as the “2026 Supplemental Ordinance”) is adopted in accordance with Section 21 of the Prior Ordinance (defined below) and pursuant to the authority in Act 94.

Section 2. **DEFINITIONS.** Except as hereinafter provided, all terms which are defined in Section 1 of the Prior Ordinance shall have the same meanings in this 2026 Supplemental Ordinance. In addition, whenever used in this 2026 Supplemental Ordinance, except when otherwise indicated by context, the following definitions shall apply to the terms in this 2026 Supplemental Ordinance:

- a. “Authority” means the Michigan Finance Authority, or any successor agency.
- b. “Authorized Officer” means the Mayor, City Manager, Finance Director, or Public Utilities Director of the City, or any one or more of them.
- c. “Bonds” as defined in the Prior Ordinance shall include the Series 2026 Bond that is being issued on a parity with the Series 2020 Bond, the Series 2022 Bonds, the Series 2023 Bond, the Series 2024 Bond, and the Series 2025 Bond pursuant to Section 21 of Ordinance No. 614.
- d. “Contract Documents” means the Purchase Contract between the City and the Authority, the Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes, and Energy, and the Issuer’s Certificate for the Series 2026 Bond, and such other closing documents required by the Authority for the issuance of the Series 2026 Bond.

- e. "Improvements" means the design, acquisition and construction of improvements to the System, consisting of (i) removal, abandonment, replacement, and installation of water mains, (ii) removal, abandonment, replacement, and installation of water service lines in portions of the System to comply with the Michigan Department of Environment, Great Lakes, and Energy's Lead and Copper Rules and improvements to related facilities, (iii) improvements to the System's water treatment plant and related facilities, mechanisms, and components; and (iv) acquisition, construction, and installation of improvements and upgrades to booster pumps and related facilities, as well as the restoration of property, streets, rights-of-way and easements affected by the improvements, and all other work necessary and incidental to these improvements
- f. "Issue Date" means the date on which the Series 2026 Bond is delivered to the original purchaser thereof.
- g. "Prior Ordinance" means Ordinance No. 614 adopted by the City Council on June 3, 2002, as supplemented by the 2020 Supplemental Ordinance, the 2022 Supplemental Ordinance, the 2023 Supplemental Ordinance, the 2024 Supplemental Ordinance, and the 2025 Supplemental Ordinance.
- h. "Series 2020 Bond" means the Bond authorized in Sections 4 and 5 of the 2020 Supplemental Ordinance.
- i. "Series 2022 Bonds" means the Bonds authorized in Sections 5 and 6 of the 2022 Supplemental Ordinance.
- j. "Series 2023 Bond" means the Bond authorized in Sections 5 and 6 of the 2023 Supplemental Ordinance.
- k. "Series 2024 Bond" means the Bond authorized in Sections 5 and 6 of the 2024 Supplemental Ordinance.
- l. "Series 2025 Bond" means the Bond authorized in Sections 5 and 6 of the 2025 Supplemental Ordinance.
- m. "Series 2026 Bond" means the Bond authorized in Sections 5 and 6 of this 2026 Supplemental Ordinance.
- n. "2020 Supplemental Ordinance" means Ordinance No. 805 adopted by the City Council on February 3, 2020.
- o. "2022 Supplemental Ordinance" means Ordinance No. 828 adopted by the City Council on March 7, 2022.
- p. "2023 Supplemental Ordinance" means Ordinance No. 836 adopted by the City Council on January 3, 2023.
- q. "2024 Supplemental Ordinance" means Ordinance No. 843 adopted by the City Council on March 4, 2024
- r. "2025 Supplemental Ordinance" means Ordinance No. 848 adopted by the City Council on April 21, 2025.

Section 3. NECESSITY, PUBLIC PURPOSE. It is hereby determined to be necessary for the public health, safety and welfare of the City to acquire and construct the Improvements to the System in accordance with the maps, plans and specifications therefor prepared by the City's consulting engineers, which are hereby approved.

Section 4. ESTIMATED COST; PERIOD OF USEFULNESS. The aggregate cost of the Improvements has been estimated not to exceed \$12,000,000 including the payment of eligible legal, engineering, financial and other expenses, which estimate of cost is approved and confirmed. The period of usefulness of the Improvements is estimated to be not less than forty (40) years.

Section 5. ISSUANCE OF BONDS. To pay a portion of the eligible cost of designing, acquiring, and constructing the Improvements and to pay the eligible legal and financial expenses and all other eligible expenses incidental to the issuance of the Series 2026 Bond, the City shall borrow the sum of not to exceed \$12,000,000 and issue its revenue bonds pursuant to the provisions of Act 94. The Series 2026 Bond shall be issued in the aggregate principal sum of not to exceed \$12,000,000, as finally determined by the Authorized Officer at the time of sale, or such lesser amount thereof as shall have been advanced to the City pursuant to the Contract Documents. The remaining cost of the Improvements, if any, shall be paid from grant funds and any City funds on hand and legally available for such use.

During the time funds are being drawn down by the City under the Series 2026 Bond, the Authority will periodically provide the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of the Series 2026 Bond.

Section 6. SERIES 2026 BOND DETAILS. The Series 2026 Bond shall be designated “Water Supply System Junior Lien Revenue Bonds” with such appropriate series designation determined by the Authorized Officer. The Series 2026 Bond shall be issued as one fully-registered bond, shall be sold and delivered to the Authority in the denomination of the principal amount of the Series 2026 Bond. The Series 2026 Bond shall be dated the date of delivery to the Authority, or such other date approved by the Authorized Officer, and shall be payable on the dates determined by the Authorized Officer at the time of sale provided the final maturity shall be no later than forty (40) years after the date of issuance. The Series 2026 Bond shall bear interest at a rate of not to exceed 2.50% per annum as determined by the Authorized Officer, payable semiannually on the dates determined by the Authorized Officer at the time of sale.

Notwithstanding the above, the final amount of any maturity and terms of the Series 2026 Bond shall be as provided in the Contract Documents and will be finally determined by the Authorized Officer.

Section 7. PAYMENT OF SERIES 2026 BOND; CONFIRMATION OF STATUTORY LIEN. The principal of, premium, if any, and interest on the Series 2026 Bond shall be payable solely from the Net Revenues, and, to secure such payment from the Net Revenues, the statutory lien upon the whole of the Net Revenues established by Act 94 and the pledge created in Sections 5 and 8 of Ordinance No. 614 is hereby confirmed in favor of the Series 2026 Bond and such lien shall be of equal standing and priority with the Series 2020 Bond, the Series 2022 Bonds, the Series 2023 Bond, the Series 2024 Bond, and the Series 2025 Bond, but junior and subordinate to the lien of all, if any, subsequently issued Senior Lien Bonds.

The Series 2026 Bond, including both principal and interest thereon, shall not be a general obligation of the City and shall not constitute an indebtedness of the City for the purpose of any debt limitations imposed by any constitutional or statutory provisions.

The statutory lien on the Net Revenues with respect to the Series 2026 Bond will continue until payment in full of the principal of and interest on the Series 2026 Bond, or until sufficient cash or Sufficient Government Obligations, or a combination thereof, have been deposited in trust for the payment in full of the principal of and interest on the Series 2026 Bond to maturity, or, if called for redemption, to the date fixed for redemption, together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, or a combination thereof, as provided in the previous sentence, the statutory lien shall be terminated with respect to the Series 2026 Bond, the holder of the Series 2026 Bond shall have no further rights under the Ordinance except for payment from the deposited funds, and the Series 2026 Bond shall be considered to be defeased and shall not longer be considered to be outstanding under the Ordinance.

Section 8. STATE REVENUE SHARING PLEDGE. If required by the Authority, as additional security for repayment of the Series 2026 Bond, the City Council agrees to pledge the state revenue sharing payments that the City is eligible to receive from the State of Michigan under Act 140, Public Acts of Michigan, 1971, as amended, to the Authority as purchaser and holder of the Series 2026 Bond. The Authorized Officer is authorized to execute and deliver a revenue sharing pledge agreement between the City and the Authority.

Section 9. PRIOR REDEMPTION. The Series 2026 Bond issued and sold to the Authority shall be subject to redemption prior to maturity upon the terms and conditions set forth in the form of Series 2026 Bond contained in Section 12 hereof.

Section 10. PAYING AGENT AND REGISTRATION.

- a. Appointment of Paying Agent. From time to time the Authorized Officer shall designate and appoint a Paying Agent, which shall also act as transfer agent and bond registrar. The initial Paying Agent shall be the City Treasurer. In the event of a change in the Paying Agent, notice shall be given in writing, by certified mail, to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books for the recordation of the Registered Owners of the Series 2026 Bond.
- b. Registration of Bonds. Registration of the Series 2026 Bond shall be recorded in the registration books of the City to be kept by a Paying Agent. The Series 2026 Bond may be transferred only by submitting the same, together with a satisfactory instrument of transfer signed by the Registered Owner or the Registered Owner’s legal representative duly authorized in writing, to the Paying Agent, after which a new Series 2026 Bond or Series 2026 Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in any denomination, in the same aggregate principal amount as the Bond submitted for transfer. No transfer of any Series 2026 Bond shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any Series 2026 Bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the City and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Series 2026 Bond to the Registered Owner thereof shall constitute a valid discharge of the City’s liability upon such Bond to the extent of such payment. No Series 2026 Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Series 2026 Bond has been called for redemption.

- c. Authority's Depository. Notwithstanding any other provision of the Prior Ordinance, this 2026 Supplemental Ordinance or the Series 2026 Bond, so long as the Authority is the owner of the Series 2026 Bond: (a) the Series 2026 Bond shall be payable in lawful money of the United States; (b) the Series 2026 Bond is payable as to principal, premium, if any, and interest at U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (c) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on the Series 2026 Bond in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the City's deposit by 12:00 p.m. (noon) on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (d) written notice of any redemption of the Series 2026 Bond shall be given by the City and received by the Authority's Depository at least forty (40) days prior to the date on which such redemption is to be made.

Section 11. SALE OF BONDS. The Series 2026 Bond shall be sold to the Authority by means of a negotiated sale. The City determines that a negotiated sale to the Authority is in the best interest of the City because the terms offered by the Authority are more favorable than those available from other sources of funding.

Section 12. BOND FORM. The Series 2026 Bond shall be in substantially the following form with such completions, changes and additions as may be required by the Authority or as recommended by the City's Bond Counsel and approved by the officers of the City signing the Series 2026 Bond:

UNITED STATES OF AMERICA		
STATE OF MICHIGAN		
COUNTY OF SHIAWASSEE		
CITY OF OWOSSO		
WATER SUPPLY SYSTEM JUNIOR LIEN REVENUE BOND, SERIES 2026		
<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>
%	See Schedule I	_____, 2026
Registered Owner:	Michigan Finance Authority	
Principal Amount:		

The City of Owosso, Shiawassee County, Michigan (the "Issuer"), acknowledges itself indebted and, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, out of the net revenues of the Water Supply System of the City (the "System"), including all appurtenances, additions, extensions and improvements thereto after provision has been made for reasonable and necessary expenses of operation, maintenance and administration of the System (the "Net Revenues"), the amounts and on the Dates of Maturity set forth on Schedule I herein, together with interest thereon from the dates of receipt of such funds, or such later date to which interest has been paid, at the Interest Rate per annum specified above, first payable on _____ 1, 20__, and semiannually thereafter on the first day of _____ and _____ of each year, except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto.

The Issuer promises to pay to the Michigan Finance Authority (the "Authority") the principal amount of this Bond or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes and Energy, and the Order of Approval issued by the Department of Environment, Great Lakes and Energy.

Interest on this Bond is payable to the registered owner of record as of the close of business on the 15th day of the month immediately preceding any interest payment as shown on the registration books of the Issuer kept by the Treasurer of the Issuer, as bond registrar and paying agent, by check or draft mailed by the Treasurer of the Issuer to the registered owner at the registered address. Interest on this Bond shall be computed on the basis of a 360-day year comprised of twelve 30-day months. During the time funds are being drawn down by the Issuer under this Bond, the Authority will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

Notwithstanding any other provision of this Bond, so long as the Authority is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at U. S. Bank Trust

Company, National Association, or at such other place as shall be designated in writing to the Issuer by the Authority (the “Authority’s Depository”); (b) the Issuer agrees that it will deposit with the Authority’s Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority’s Depository has not received the Issuer’s deposit by 12:00 p.m. (noon) on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority’s administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority’s Depository at least 40 days prior to the date on which such redemption is to be made.

This Bond, being one fully registered bond, is issued in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended, and Ordinance No. 614 adopted by the City Council of the Issuer on June 3, 2002, as supplemented on February 3, 2020, March 7, 2022, January 3, 2023, March 4, 2024, and July 6, 2026 (as supplemented, the “Ordinance”), for the purpose of paying the cost of acquiring and constructing improvements to the System. This Bond is a self-liquidating bond, and is not a general obligation of the Issuer within any constitutional, statutory or charter limitation, but is payable, both as to principal and interest, solely from the Net Revenues of the System. The principal of and interest on this Bond are secured by a statutory lien on the Net Revenues. This Bond is of equal standing and priority of lien as to the Net Revenues of the System with the City’s Water Supply System Revenue Bond, Series 2020 dated March 27, 2020, the City’s Water Supply System Revenue Bonds, Series 2022A dated May 6, 2022, the City’s Water Supply System Revenue Bonds, Series 2022B dated May 6, 2022, the City’s Water Supply System Revenue Bonds, Series 2023 dated March 24, 2023, and the City’s Water Supply System Revenue Bonds, Series 2024 dated May 6, 2024 and the City’s Water Supply System Revenue Bond, Series 2025 dated July 17, 2025.

The Issuer hereby covenants and agrees to fix, and maintain at all times while any of the Bonds shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the principal of and interest upon all such Bonds as and when the same become due and payable, to maintain a bond and interest redemption account and to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance. **The City has reserved the right, on the conditions stated in the Ordinance, to issue additional bonds of prior and senior or equal standing of priority of lien with this Bond as to the Net Revenues.** For a complete statement of the revenues from which, and the conditions under which, this Bond is payable, a statement of the conditions under which additional bonds of equal or superior standing may hereafter be issued, and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the Ordinance.

Bonds of this series may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the “additional interest”) at a rate equal to the rate of interest that is two percent above the Authority’s cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer’s default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provided funds to purchase this Bond fails to provide sufficient available funds (together with any other funds that may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer’s pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

It is hereby certified and recited that all acts, conditions and things required by law, precedent to and in the issuance of this Bond, exist and have been done and performed in regular and due time and form as required by law and that the total indebtedness of the Issuer including this Bond, does not exceed any applicable charter, constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Owosso, Shiawassee County, Michigan, by its City Council, has caused this Bond to be signed, by the manual or facsimile signatures of its Mayor and City Clerk and its corporate seal (or a facsimile thereof) to be impressed or imprinted hereon, all as of the ____ day of _____, 2026.

Robert J. Teich, Jr., Mayor

Amy K. Kohagen, City Clerk

[STANDARD FORM OF ASSIGNMENT TO BE INSERTED]

Name of Issuer: CITY OF OWOSSO
EGLE Project No: 7920-01
EGLE Approved Amount: \$

SCHEDULE I

Based on the schedule provided below, unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the “Order”) approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority [or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order], the Authority shall prepare a new payment schedule that shall be effective upon receipt by the Issuer.

[STANDARD FORM OF DWSRF MATURITY SCHEDULE TO BE INSERTED]

Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer from the date principal is disbursed, until paid, at the rate of ____% per annum, payable _____ 1, 20__, and semiannually thereafter.

The Issuer agrees that it will deposit with U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the Issuer by the Authority (the “Authority’s Depository”) payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority’s Depository has not received the Issuer’s deposit by 12:00 p.m. (noon) on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority’s administrative costs and lost investment earnings attributable to that late payment.

[END OF BOND FORM]

Section 13. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF SERIES 2026 BOND. The Series 2026 Bond shall be sold at a private, negotiated sale to the Authority, as authorized by Act 227, Public Acts of Michigan, 1985, as amended. The City Council determines that the sale and delivery of the Series 2026 Bond to the Authority as provided in this 2026 Supplemental Ordinance will provide the City with the lowest cost of borrowing money for the Improvements. The sale shall be made pursuant to the terms and conditions to be set forth in a Purchase Contract (the “Purchase Contract”) and a Supplemental Agreement (the “Supplemental Agreement”) related to the Series 2026 Bond. The Authorized Officer is authorized to execute and deliver the Supplemental Agreement and the Purchase Contract in such forms as shall be approved by the Authorized Officer, with such approval to be evidenced by the Authorized Officer’s signature thereon. Notwithstanding any other provision of this 2026 Supplemental Ordinance, the Series 2026 Bond shall be initially sold to the Authority as one bond, numbered 1, in the aggregate principal amount of not to exceed the original principal amount of the Series 2026 Bond. In addition, the Authorized Officer and other City employees and officials are authorized to execute and deliver to the Authority and such certificates and documents as the Authority or bond counsel shall require and to do all other things necessary to effectuate the sale, issuance, delivery, transfer and exchange of the Series 2026 Bond in accordance with the provisions of this 2026 Supplemental Ordinance. The Authorized Officer is authorized to execute any orders, receipts, agreements, pledge agreements, documents or certificates necessary to complete the transaction, including, but not limited to, any issuers certificate, any certificates relating to federal or state securities laws, rules or regulations, and any revenue sharing pledge agreement. The Authorized Officer is authorized to seek a credit assessment, or similar, from Standard & Poor’s or another nationally recognized rating organization and to execute and file any applications to the Michigan Department of Treasury, including an Application for State Treasurer’s Approval to Issue Long-Term Securities and any other applications to the Michigan Department of Treasury and to seek any waivers from the Michigan Department of Treasury.

Section 14. TAX COVENANT. The City covenants to comply with all requirements of the Code necessary to assure that the interest on the Series 2026 Bond will be and will remain excludable from gross income for federal income tax purposes. The Authorized Officer and other appropriate officials of the City are authorized to do all things necessary to assure that the interest on the Series 2026 Bond will be and will remain excludable from gross income for federal income tax purposes.

Section 15. EXECUTION OF BOND. The Mayor or the Mayor Pro Tem, and the Clerk or Deputy Clerk of the City, are hereby authorized and directed to sign the Series 2026 Bond, either manually or by facsimile signature, on behalf of the City, and the seal of the City (or a facsimile thereof) shall be impressed or imprinted on the Series 2026 Bond. Upon execution, the Series 2026 Bond shall be delivered to the purchaser upon receipt of the purchase price or upon compliance with the terms and conditions of the Purchase Contract.

Section 16. CONSTRUCTION FUND. The City Treasurer is hereby directed to create and maintain a construction fund for the Improvements (the "Construction Fund"), into which the proceeds of the Series 2026 Bond shall be deposited. Such moneys shall be used solely for the purpose for which the Series 2026 Bond was issued. Any unexpected balance in the Construction Fund remaining after completion of the Improvements may be used for such purposes as allowed by law. After completion of the Improvements and disposition of remaining Series 2026 Bond proceeds, if any, pursuant to the provisions of this Section, the Construction Fund shall be closed.

Section 17. SERIES 2026 BOND PROCEEDS. The proceeds of the sale of the Series 2026 Bond shall be used solely to pay the eligible costs of the Improvements and any eligible engineering, legal and other expenses incident thereto; provided that the City Council shall not authorize the payment of any such moneys for acquisition and construction of any part of the Improvements until there shall have been first filed with it by the consulting engineer in charge of such work, a written statement to the effect that the sum so to be paid is in full or partial payment of a contractual obligation in connection with the Improvements and that the City has received the consideration for such payment. The statement of the consulting engineer shall also show the cost of acquisition and construction of the Improvements that has theretofore been approved by him for payment and the amount of the balance that will be required for completion of the Improvements.

Section 18. PUBLICATION AND RECORDATION. This 2026 Supplemental Ordinance shall be published once in full in a newspaper of general circulation in the City qualified under state law to publish legal notices, and the same shall be recorded in the records of the City and such recording authenticated by the signature of the City Clerk.

Section 19. ORDINANCE SUBJECT TO MICHIGAN LAW. The provisions of this 2026 Supplemental Ordinance are subject to the laws of the State of Michigan.

Section 20. SECTION HEADINGS. The section headings in this 2026 Supplemental Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this 2026 Supplemental Ordinance.

Section 21. SEVERABILITY. If any section, paragraph, clause or provision of this 2026 Supplemental Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this 2026 Supplemental Ordinance.

Section 22. RATIFICATION OF PRIOR ORDINANCE; CONFLICTING ORDINANCES. The Prior Ordinance, as supplemented by this 2026 Supplemental Ordinance, is hereby ratified and confirmed. All ordinances or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed to the extent of the conflict; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Series 2020 Bond, any series of the Series 2022 Bonds, the Series 2023 Bond, the Series 2025 Bond, or the Series 2026 Bond.

Section 23. EFFECTIVE DATE OF ORDINANCE. Pursuant to Section 6 of Act 94, this 2026 Supplemental Ordinance shall be approved on the date of first reading, and this 2026 Supplemental Ordinance shall be effective immediately upon its adoption and publication pursuant to Act 94.

Motion supported by Councilmember Ludington.

Roll Call Vote.

AYES: Mayor Pro-Tem Haber, Councilmembers Olson, Osmer, Ludington, and Mayor Teich.

NAYS: None.

ABSENT: Councilmembers Fear and Owens.

Ordinance Adoption – Bonding for CWRP Financing

Master Plan Implementation Goals: 3.4, 3.7

City Manager Nathan R. Henne indicated the City is currently planning on issuing \$20,000,000 in bonds, with \$2,600,000 forgiven by the state for this series of projects, though those amounts could be lowered based on the City's receipt of a potential earmark of \$3,300,000 thanks to Senator Singh and Representative BeGole.

Motion by Councilmember Osmer to adopt the following ordinance authorizing and providing for the issuance of Revenue Bonds under the Clean Water Revolving Fund (CWRF) program for WWTP towers replacement, sewer collection system analysis, and flow metering and sediment analysis improvements under the provisions of Act 94, Public Acts of Michigan, 1933, as amended:

ORDINANCE NO. 852

A SUPPLEMENTAL ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY THE COST OF THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THE WASTEWATER TREATMENT SYSTEM OF THE CITY OF OWOSSO; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO PROVIDE FOR SECURITY FOR THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF REVENUES OF THE SYSTEM; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM.

THE CITY OF OWOSSO ORDAINS:

Section 1. 2026 SUPPLEMENTAL ORDINANCE. This ordinance (hereinafter referred to as the “2026 Supplemental Ordinance”) is adopted in accordance with Section 21 of the Prior Ordinance (defined below) and pursuant to the authority in Act 94.

Section 2. DEFINITIONS. Except as hereinafter provided, all terms which are defined in Section 1 of the Prior Ordinance shall have the same meanings in this 2026 Supplemental Ordinance. In addition, whenever used in this 2026 Supplemental Ordinance, except when otherwise indicated by context, the following definitions shall apply to the terms in this 2026 Supplemental Ordinance:

- a. “Authority” means the Michigan Finance Authority, or any successor agency.
- b. “Authorized Officer” means the Mayor, City Manager, Finance Director, or Public Utilities Director of the City, or any one or more of them.
- c. “Bonds” as defined in the Prior Ordinance shall include the Series 2026 Bonds that are being issued on a parity with the Series 2020 Bond, the Series 2022 Bonds, the Series 2023 Bonds, and the Series 2024 Bonds pursuant to Section 20 of the Prior Ordinance.
- d. “Contract Documents” means the Purchase Contract between the City and the Authority, the Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes, and Energy, and the Issuer’s Certificate for the Series 2026 Bonds, and such other closing documents required by the Authority for the issuance of the Series 2026 Bonds.
- e. “Improvements” means the design, acquisition and construction of improvements to the System, including without limitation, removal and replacement of nitrification and roughing towers at the City’s wastewater treatment plant (the “WWTP”) and the acquisition, construction, and installation of new treatment process mechanisms, improvements to existing mechanisms, and other structural, mechanical, electrical, and SCADA improvements to WWTP buildings and facilities, as well as all other work, equipment, and site improvements necessary and incidental to these improvements.
- f. “Issue Date” means the date on which the Series 2026 Bonds are delivered to the original purchaser thereof.
- g. “Prior Ordinance” means Ordinance No. 807 adopted by the City Council on April 20, 2020, Ordinance No. 826 adopted by the City Council on February 7, 2022, Ordinance No. 840 adopted by the City Council on June 20, 2023, and Ordinance No. 846 adopted by the City Council on June 17, 2024.
- h. “Series 2026 Bonds” means the Bonds authorized in Sections 5 and 6.

Section 3. NECESSITY, PUBLIC PURPOSE. It is hereby determined to be necessary for the public health, safety and welfare of the City to acquire and construct the Improvements to the System in accordance with the maps, plans and specifications therefor prepared by the City’s consulting engineers, which are hereby approved.

Section 4. ESTIMATED COST; PERIOD OF USEFULNESS. The cost of the Improvements has been estimated not to exceed \$20,000,000 including the payment of legal, engineering, financial and other expenses, which estimate of cost is approved and confirmed, and the period of usefulness of the Improvements is estimated to be not less than forty (40) years.

Section 5. ISSUANCE OF BONDS. To pay all or a portion of the cost of designing, acquiring, and constructing the Improvements and to pay the legal and financial expenses and all other

expenses incidental to the issuance of the Series 2026 Bonds, the City shall borrow the sum of not to exceed \$20,000,000 and issue its revenue bonds pursuant to the provisions of Act 94. The Series 2026 Bonds shall be issued in the aggregate principal sum of not to exceed \$20,000,000, as finally determined by the Authorized Officer at the time of sale, or such lesser amount thereof as shall have been advanced to the City pursuant to the Contract Documents. The remaining cost of the Improvements, if any, shall be paid from City funds on hand and legally available for such use.

During the time funds are being drawn down by the City under the Series 2026 Bonds, the Authority will periodically provide the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of the Series 2026 Bonds.

Section 6. SERIES 2026 BOND DETAILS. The Series 2026 Bonds shall be designated "Wastewater Treatment System Junior Lien Revenue Bonds, Series 2026." The Series 2026 Bonds shall be issued as one fully registered bond, shall be sold and delivered to the Authority in the denomination of the principal amount of the Series 2026 Bonds. The Series 2026 Bonds shall be dated the date of delivery to the Authority, or such other date approved by the Authorized Officer, and shall be payable on the dates determined by the Authorized Officer at the time of sale provided the final maturity shall be no later than forty (40) years after the date of issuance. The Series 2026 Bonds shall bear interest at a rate of not to exceed 3.00% per annum as determined by the Authorized Officer, payable semiannually on the dates determined by the Authorized Officer at the time of sale.

Notwithstanding the above, the final amount of any maturity and terms of the Series 2026 Bonds shall be as provided in the Contract Documents and will be finally determined by the Authorized Officer.

Section 7. PAYMENT OF SERIES 2026 BONDS; CONFIRMATION OF STATUTORY LIEN. The principal of, premium, if any, and interest on the Series 2026 Bonds shall be payable solely from the Net Revenues, and, to secure such payment from the Net Revenues, the statutory lien upon the whole of the Net Revenues established by Act 94 and the pledge created in Section 6 of the Prior Ordinance is hereby confirmed in favor of the Series 2026 Bonds and lien shall be of equal standing and priority with the Series 2020 Bond, the Series 2022 Bonds, the Series 2023 Bonds, and the Series 2024 Bonds, but junior and subordinate to the lien of all, if any, subsequently issued Senior Lien Bonds.

The Series 2026 Bonds, including both principal and interest thereon, shall not be a general obligation of the City and shall not constitute an indebtedness of the City for the purpose of any debt limitations imposed by any constitutional or statutory provisions.

The statutory lien on the Net Revenues with respect to the Series 2026 Bonds will continue until payment in full of the principal of and interest on the Series 2026 Bonds, or until sufficient cash or Sufficient Government Obligations, or a combination thereof, have been deposited in trust for the payment in full of the principal of and interest on the Series 2026 Bonds to maturity, or, if called for redemption, to the date fixed for redemption, together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, or a combination thereof, as provided in the previous sentence, the statutory lien shall be terminated with respect to the Series 2026 Bonds, the holder of the Series 2026 Bonds shall have no further rights under the Ordinance except for payment from the deposited funds, and the Series 2026 Bonds shall be considered to be defeased and shall not longer be considered to be outstanding under the Ordinance.

Section 8. STATE REVENUE SHARING PLEDGE. If required by the Authority, as additional security for repayment of the Series 2026 Bonds, the City Council agrees to pledge the state revenue sharing payments that the City is eligible to receive from the State of Michigan under Act 140, Public Acts of Michigan, 1971, as amended, to the Authority as purchaser and holder of the Series 2026 Bonds. The Authorized Officer is authorized to execute and deliver a revenue sharing pledge agreement between the City and the Authority.

Section 9. PRIOR REDEMPTION. The Series 2026 Bonds issued and sold to the Authority shall be subject to redemption prior to maturity upon the terms and conditions set forth in the form of Series 2026 Bonds contained in Section 12 hereof.

Section 10. PAYING AGENT AND REGISTRATION.

- a. Appointment of Paying Agent. From time to time the Authorized Officer shall designate and appoint a Paying Agent, which shall also act as transfer agent and bond registrar. The initial Paying Agent shall be the City Treasurer. In the event of a change in the Paying Agent, notice shall be given in writing, by certified mail, to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books for the recordation of the Registered Owners of the Bonds.

- b. Registration of Bonds. Registration of the Bonds shall be recorded in the registration books of the City to be kept by a Paying Agent. Bonds may be transferred only by submitting the same, together with a satisfactory instrument of transfer signed by the Registered Owner or the Registered Owner's legal representative duly authorized in writing, to the Paying Agent, after which a new Bond or Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in any denomination, in the same aggregate principal amount as the Bond submitted for transfer. No transfer of Bonds shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any Bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the City and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Bond to the Registered Owner thereof shall constitute a valid discharge of the City's liability upon such Bond to the extent of such payment. No Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Bond has been called for redemption.
- c. Authority's Depository. Notwithstanding any other provision of the Prior Ordinance, this 2026 Supplemental Ordinance or the Series 2026 Bonds, so long as the Authority is the owner of the Series 2026 Bonds: (a) the Series 2026 Bonds shall be payable in lawful money of the United States; (b) the Series 2026 Bonds are payable as to principal, premium, if any, and interest at U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (c) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on the Series 2026 Bonds in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the City's deposit by 12:00 p.m. (noon) on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (d) written notice of any redemption of the Series 2026 Bonds shall be given by the City and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

Section 11. SALE OF BONDS. The Series 2026 Bonds shall be sold to the Authority by means of a negotiated sale. The City determines that a negotiated sale to the Authority is in the best interest of the City because the terms offered by the Authority are more favorable than those available from other sources of funding.

Section 12. BOND FORM. The Series 2026 Bonds shall be in substantially the following form with such completions, changes and additions as may be required by the Authority or as recommended by the City's Bond Counsel and approved by the officers of the City signing the Series 2026 Bonds:

UNITED STATES OF AMERICA

STATE OF MICHIGAN

COUNTY OF SHIAWASSEE

CITY OF OWOSSO

WASTEWATER TREATMENT SYSTEM REVENUE BOND, SERIES 2026

Interest Rate

Maturity Date

Date of Original Issue

See Schedule I

_____, 2026

Registered Owner:

Michigan Finance Authority

Principal Amount:

The City of Owosso, Shiawassee County, Michigan (the "Issuer"), acknowledges itself indebted and, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, out of the net revenues of the Wastewater Treatment System of the City (the "System"), including all appurtenances, additions, extensions and improvements thereto after provision has been made for reasonable and necessary expenses of operation, maintenance and administration of the System (the "Net Revenues"), the amounts and on the Dates of Maturity set forth on Schedule I herein, together with interest thereon from the dates of receipt of such funds, or such later date to which interest has been paid, at the Interest Rate per annum specified above, first payable on _____ 1, 20__, and semiannually thereafter on the first day of April and October of each year, except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto.

The Issuer promises to pay to the Michigan Finance Authority (the "Authority") the principal amount of this Bond or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes and Energy, and the Order of Approval issued by the Department of Environment, Great Lakes and Energy.

Interest on this Bond is payable to the registered owner of record as of the close of business on the 15th day of the month immediately preceding any interest payment as shown on the registration books of the Issuer kept by the Treasurer of the Issuer, as bond registrar and paying agent, by check or draft mailed by the Treasurer of the Issuer to the registered owner at the registered address. Interest on this Bond shall be computed on the basis of a 360-day year comprised of twelve 30-day months. During the time funds are being drawn down by the Issuer under this Bond, the Authority will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

Notwithstanding any other provision of this Bond, so long as the Authority is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the Issuer's deposit by 12:00 p.m. (noon) on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

This Bond, being one fully registered bond, is issued in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended, Ordinance No. 807 adopted by the City Council of the Issuer on April 20, 2020, as supplemented on February 7, 2022, as supplemented on June 20, 2023, as supplemented again on June 17, 2024, and as supplemented again on July 6, 2026 (as supplemented, the "Ordinance"), for the purpose of paying the cost of acquiring and constructing improvements to the System. This Bond is a self-liquidating bond, and is not a general obligation of the Issuer within any constitutional, statutory or charter limitation, but is payable, both as to principal and interest, solely from the Net Revenues of the System. The principal of and interest on this Bond are secured by a statutory lien on the Net Revenues.

The Issuer hereby covenants and agrees to fix, and maintain at all times while any of the Bonds shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the principal of and interest upon all such Bonds as and when the same become due and payable, to maintain a bond and interest redemption account and to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance. **The City has reserved the right, on the conditions stated in the Ordinance, to issue additional bonds of prior and senior or equal standing of priority of lien with this Bond as to the Net Revenues.** For a complete statement of the revenues from which, and the conditions under which, this Bond is payable, a statement of the conditions under which additional bonds of equal or superior standing may hereafter be issued, and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the Ordinance.

Bonds of this series may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest that is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds that may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

It is hereby certified and recited that all acts, conditions and things required by law, precedent to and in the issuance of this Bond, exist and have been done and performed in regular

and due time and form as required by law and that the total indebtedness of the Issuer including this Bond, does not exceed any charter, constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of Owosso, Shiawassee County, Michigan, by its City Council, has caused this Bond to be signed, by the manual or facsimile signatures of its Mayor and City Clerk, all as of the _____ day of _____, 2026.

Robert Teich Jr., Mayor

Amy K. Kohagen, City Clerk

[STANDARD FORM OF ASSIGNMENT TO BE INSERTED]

Name of Issuer: CITY OF OWOSSO
EGLE Project No: 6034-01
EGLE Approved Amount: \$

SCHEDULE I

Based on the schedule provided below, unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority [or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order], the Authority shall prepare a new payment schedule that shall be effective upon receipt by the Issuer.

[STANDARD FORM OF DWSRF MATURITY SCHEDULE TO BE INSERTED]

Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer from the date principal is disbursed, until paid, at the rate of ____% per annum, payable _____ 1, 20__, and semiannually thereafter.

The Issuer agrees that it will deposit with U.S. Bank Trust Company, National Association, or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 p.m. (noon) at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 p.m. (noon) on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

[END OF BOND FORM]

Section 13. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF SERIES 2026 BONDS. The Series 2026 Bonds shall be sold at a private, negotiated sale to the Authority, as authorized by Act 227, Public Acts of Michigan, 1985, as amended. The City Council determines that the sale and delivery of the Series 2026 Bonds to the Authority as provided in this 2026 Supplemental Ordinance will provide the City with the lowest cost of borrowing money for the Improvements. The sale shall be made pursuant to the terms and conditions to be set forth in a Purchase Contract (the "Purchase Contract") and a Supplemental Agreement (the "Supplemental Agreement") related to the Series 2026 Bonds. The Authorized Officer is authorized to execute and deliver the Supplemental Agreement and the Purchase Contract in such forms as shall be approved by the Authorized Officer, with such approval to be evidenced by the Authorized Officer's signature thereon. Notwithstanding any other provision of this 2026 Supplemental Ordinance, the Series 2026 Bonds shall be initially sold to the Authority as one bond, numbered 1, in the aggregate principal amount of not to exceed the original principal amount of the Series 2026 Bonds. In addition, the Authorized Officer and other City employees and officials are authorized to execute and deliver to the Authority and such certificates and documents as the Authority or bond counsel shall require and to do all other things necessary to effectuate the sale, issuance, delivery, transfer and exchange of the Series 2026 Bonds in accordance with the provisions of this 2026 Supplemental Ordinance. The Authorized Officer is authorized to execute any orders, receipts, agreements, pledge agreements, documents or certificates necessary to complete the transaction, including, but not limited to, any issuers certificate, any certificates relating to federal or state securities laws, rules or regulations, and any revenue sharing pledge agreement. The Authorized Officer is authorized to seek a credit assessment, or similar, from Standard & Poor's or another nationally recognized rating organization and to execute and file any applications to the Michigan Department of Treasury, including an Application for State Treasurer's Approval to Issue Long-Term Securities and any other applications to the Michigan Department of Treasury and to seek any waivers from the Michigan Department of Treasury. Any prior actions of the Authorized Officer in furtherance of this Section 13 and the transactions contemplated by this 2026 Supplemental Ordinance are hereby ratified and confirmed.

Section 14. TAX COVENANT. The City covenants to comply with all requirements of the Code necessary to assure that the interest on the Series 2026 Bonds will be and will remain excludable from gross income for federal income tax purposes. The Authorized Officer and other appropriate officials of the City are authorized to do all things necessary to assure that the interest on the Series 2026 Bonds will be and will remain excludable from gross income for federal income tax purposes.

Section 15. EXECUTION OF BONDS. The Mayor or the Mayor Pro Tem, and the Clerk or Deputy Clerk of the City, are hereby authorized and directed to sign the Series 2026 Bonds, either manually or by facsimile signature, on behalf of the City. Upon execution, the Series 2026 Bonds shall be delivered to the purchaser upon receipt of the purchase price or upon compliance with the terms and conditions of the Purchase Contract.

Section 16. CONSTRUCTION FUND. The City Treasurer is hereby directed to create and maintain a construction fund for the Improvements (the "Construction Fund"), into which the proceeds of the Series 2026 Bonds shall be deposited. Such moneys shall be used solely for the purpose for which the Series 2026 Bonds were issued. Any unexpected balance in the Construction Fund remaining after completion of the Improvements may be used for such purposes as allowed by law. After completion of the Improvements and disposition of remaining Series 2026 Bond proceeds, if any, pursuant to the provisions of this Section, the Construction Fund shall be closed.

Section 17. SERIES 2026 BOND PROCEEDS. The proceeds of the sale of the Series 2026 Bonds shall be used solely to pay the costs of the Improvements and any engineering, legal and other expenses incident thereto; provided that the City Council shall not authorize the payment of any such moneys for acquisition and construction of any part of the Improvements until there shall have been first filed with it by the consulting engineer in charge of such work, a written statement to the effect that the sum so to be paid is in full or partial payment of a contractual obligation in connection with the Improvements and that the City has received the consideration for such payment. The statement of the consulting engineer shall also show the cost of acquisition and construction of the Improvements that has theretofore been approved by him for payment and the amount of the balance that will be required for completion of the Improvements.

Section 18. PUBLICATION AND RECORDATION. This 2026 Supplemental Ordinance shall be published once in full in a newspaper of general circulation in the City qualified under state law to publish legal notices, and the same shall be recorded in the records of the City and such recording authenticated by the signature of the City Clerk.

Section 19. ORDINANCE SUBJECT TO MICHIGAN LAW. The provisions of this 2026 Supplemental Ordinance are subject to the laws of the State of Michigan.

Section 20. SECTION HEADINGS. The section headings in this 2026 Supplemental Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this 2026 Supplemental Ordinance.

Section 21. SEVERABILITY. If any section, paragraph, clause or provision of this 2026 Supplemental Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this 2026 Supplemental Ordinance.

Section 22. RATIFICATION OF PRIOR ORDINANCE; CONFLICTING ORDINANCES. The Prior Ordinance, as supplemented by the 2022 Supplemental Ordinance, the 2023 Supplemental Ordinance, the 2024 Supplemental Ordinance, and this 2026 Supplemental Ordinance, is hereby ratified and confirmed. All ordinances or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed to the extent of the conflict; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Series 2020 Bond, the Series 2022 Bonds, the Series 2023 Bonds, the Series 2024 Bonds, or the Series 2026 Bonds.

Section 23. EFFECTIVE DATE OF ORDINANCE. Pursuant to Section 6 of Act 94, this 2026 Supplemental Ordinance shall be approved on the date of first reading and this 2026 Supplemental Ordinance shall be effective immediately upon its adoption and publication pursuant to Act 94.

Motion supported by Mayor Pro-Tem Haber.

Roll Call Vote.

AYES: Councilmembers Ludington, Osmer, Mayor Pro-Tem Haber, Councilmember Olson and Mayor Teich.

NAYS: None.

ABSENT: Councilmember Fear and Owens.

Notice of Pecuniary Interest

Motion by Councilmember Olson to enter notice of pecuniary interest on the record for Councilmember Carl Ludington as it relates to proposed contracts with Ludington Electric, Inc. for the period of April 28 2026 through June 23, 2026 as follows:

STATEMENT REGARDING BUSINESS DEALINGS WITH THE CITY

Per Owosso City Charter Section 14.4 and Michigan Public Act 317 of 1968, as amended

I, Carl Ludington, being an officer of the City of Owosso, do hereby declare a pecuniary interest in the foregoing proposed contract(s) with the City of Owosso as described as:

PO NUMBER	DEPT.	VENDOR	DESCRIPTION	AMOUNT
000047871	862	LUDINGTON ELECTRIC, INC.	SPLASH PAD INSTALLATION	483.31
000047957	862	LUDINGTON ELECTRIC, INC.	CHAIRMAN LIGHT N. WASHINGTON ST IFO HAIR SALON SHORT	120.00
000047958	862	LUDINGTON ELECTRIC, INC.	CHAIRMAN REPAIR BALL ST WASHINGTON M21	449.65
				\$ 1,052.96

For the Period of: April 28 – June 23,
2026

Vendor: Ludington Electric, Inc

Total Amount: \$1052.96

I am making this declaration because I am the owner/operator of Ludington Electric, Inc. I confirm that I will not vote on the matter(s) in question, I will not take part in discussion on any question in respect to the matter(s), and I will not attempt in any way whether before, during or after the meeting to influence the voting on any such question at a public meeting of the Owosso City Council.

Said items will be considered for approval at the July 20, 2026 meeting of the Owosso City Council.

Declared this 6th day of July, 2026.

Motion supported by Councilmember Osmer.

Roll Call Vote.

AYES: Mayor Pro-Tem Haber, Councilmembers Olson, Ludington, Osmer and Mayor Teich.

NAYS: None.

ABSENT: Councilmembers Fear and Owens.

Unpaid Parking Ticket Write-Off

There was discussion regarding the actions taken to collect the money, how few tickets actually get paid, the fact that other communities will tow the vehicles of multiple offenders, and revisiting the parking issue once again.

Motion by Councilmember Olson to approve writing off \$15,240.00 in unpaid parking tickets recorded in the fiscal year ending June 30, 2026 due to uncollectability and administrative costs outweighing returns as follows:

RESOLUTION NO. 109-2026

REQUESTING OWOSSO CITY COUNCIL TO WRITE OFF UNPAID PARKING DEBT

WHEREAS, the City of Owosso, Shiawassee County, Michigan, issues parking ticket violations; and

WHEREAS, as of Fiscal Year Ending 6-30-26 the city recorded \$15,240.00 in unpaid parking tickets on its financial statements; and

WHEREAS, as of Fiscal Year Ending 6-30-26 the city collected \$330.00 in parking ticket revenue; and

WHEREAS, the city has reclassified revenue collected in Fiscal Year Ending 6-30-26 to reduce the unpaid parking ticket revenue recorded in Fiscal Year Ending 6-30-26; and

WHEREAS, there is an uncollectible balance of \$15,2400.00 associated with unpaid parking tickets from Fiscal Year Ending 6-30-26.

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 write off the balance of unpaid parking tickets, totaling \$15,240.00, as bad debt for Fiscal Year Ending 6-30-26.

Motion supported by Councilmember Ludington.

Roll Call Vote.

AYES: Mayor Pro-Tem Haber, Councilmembers Ludington, Osmer, Olson, and Mayor Teich.

NAYS: None.

ABSENT: Councilmembers Fear and Owens.

Appoint Historic District Study Committee

Master Plan Implementation Goals: 4.3, 4.7

City Manager Henne indicated that this committee would explore whether the Carnegie Library could be added to the Downtown Historic District as a stand-alone property.

Motion by Councilmember Olson to appoint the current members of the Owosso Historic District Commission as the Historic District Study Committee to study and evaluate the potential addition of the Carnegie Library property, Parcel No. 505-120-008-008-00, to the boundaries of the Owosso Historic District, and to carry out the study, reporting, and public hearing procedures required by Act 169 as follows:

RESOLUTION NO. 110-2026

ESTABLISHMENT OF A HISTORIC DISTRICT STUDY COMMITTEE TO CONSIDER ADDITION OF THE CARNEGIE LIBRARY PROPERTY TO THE OWOSSO HISTORIC DISTRICT

WHEREAS, the City of Owosso, Shiawassee County, Michigan (the "City"), has established the Owosso Historic District Commission ("HDC") and the Owosso Historic District pursuant to the Local Historic Districts Act, 1970 PA 169, as amended, MCL 399.201 et seq. ("Act 169"); and

WHEREAS, the Carnegie Library property, located at (insert street address), Parcel No. 505-120-008-008-00, is a historic resource of local significance to the City of Owosso; and

WHEREAS, Section 3 of Act 169, MCL 399.203, and Section 14 of Act 169, MCL 399.214, require that before a local unit establishes, modifies, or amends the boundaries of a historic district, a historic district study committee must be appointed by the legislative body to conduct a study and prepare a report in accordance with the procedures set forth in Section 3 of the Act; and

WHEREAS, Section 14 of Act 169, MCL 399.214, permits a local unit to retain its existing historic district commission to serve as the study committee for purposes of considering the addition of specific properties to an existing historic district; and

WHEREAS, the City Council finds it advisable, necessary, and in the public interest to consider the addition of the Carnegie Library property (Parcel No. 505-120-008-008-00) to the Owosso Historic District, and to appoint the members of the Owosso Historic District Commission to serve as the Study Committee for that purpose, in accordance with Act 169.

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

FIRST: The members of the Owosso Historic District Commission are hereby appointed to serve as the Historic District Study Committee, pursuant to Section 3 and Section 14 of Act 169, MCL 399.203 and MCL 399.214, for the purpose of studying and evaluating the potential addition of the Carnegie Library property, Parcel No. 505-120-008-008-00, to the boundaries of the Owosso Historic District.

SECOND: The Study Committee is directed to conduct the survey, research, and evaluation required by Section 3 of Act 169, MCL 399.203, including application of the National Register of Historic Places criteria set forth in 36 C.F.R. Part 60, and to prepare a preliminary report containing its findings and recommendation regarding the proposed addition.

THIRD: Upon completion of the preliminary report, the Study Committee shall officially transmit the report to the Owosso Planning Commission, the State Historic Preservation Office, the Michigan Historical Commission, and the State Review Board, and shall hold a public hearing not less than sixty (60) days after such transmittal, with notice provided in accordance with the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275, and written notice mailed by first-class mail to the owners of the affected property not less than fourteen (14) calendar days before the hearing, as required by MCL 399.203.

FOURTH: Following the public hearing, the Study Committee shall prepare a final report with its recommendation, which shall be presented to the City Council for its consideration of an ordinance amending the boundaries of the Owosso Historic District, in accordance with Section 3 of Act 169.

FIFTH: The City Clerk is directed to transmit a certified copy of this resolution to the members of the Owosso Historic District Commission and to file this resolution with the official records of the City.

Motion supported by Councilmember Osmer.

Roll Call Vote.

AYES: Councilmembers Olson, Osmer, Mayor Pro-Tem Haber, Councilmembers Ludington, and Mayor Teich.

NAYS: None.

ABSENT: Councilmembers Fear and Owens.

CITIZEN COMMENTS

Mike Cline, 204 Stratford Drive, said the Assessing Office was violating the rules when it mailed out a voluntary survey and request if they could be permitted in the back yard of various properties. He said no one would be entering his back yard without a search warrant and he wasn't going to respond to the survey. He also noted that the Mayor did not address any of his questions.

City Attorney Gould said he hasn't seen the letter, but that it appeared to be a voluntary process that would not violate the law.

Mayor Teich addressed Mr. Cline's question about who would clean up the tree in the river behind the YWCA, saying that the District Library will own the property and would be responsible for clean-up.

Mayor Teich addressed Mr. Moull's concerns about the safety of children riding in golf carts, noting there has been additional enforcement but there is no quick answer to the situation. Lastly, Mayor Teich said Mr. Cline should inquire about his code enforcement question with the Code Enforcement Office.

COUNCIL COMMENTS

Councilmember Olson said she is excited to see that the water portal is now live. She encouraged people that are worried about their water bill to register for the portal, saying the more you know the better off you'll be.

CITY MANAGER REPORT

Nathan R. Henne, City Manager. City Manager Report – June 2026.

There was question whether the Mayor formally closed the Citizen Comments period, so the Mayor allowed more people to speak.

Councilmember Olson asked about the status of the scrap yard on Cedar Street. It was noted that the property had long-standing code enforcement issues spanning multiple owners and encouraged her to call the Building Department for the details.

Galen Ponder said that he appreciates the fact that the City has rules on parking. He suggested possibly tweaking the policy to improve the situation.

COMMUNICATIONS

Brad A. Barrett, Finance Director. Revenues & Expenditures Report – May 2026.
Owosso Historical Commission. Minutes of June 8, 2026.
Parks and Recreation Commission. Minutes of June 24, 2026.
Planning Commission. Minutes of June 22, 2026.

NEXT MEETING

Monday, July 20, 2026

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – Alternate - term expires June 30, 2028
Building Board of Appeals – Alternate - term expires June 30, 2027
Downtown Historic District Commission – term expires June 30, 2027
Parks and Recreation Commission – term expires June 30, 2028
Planning Commission – 2 terms expire June 30, 2027
Planning Commission – term expires June 30, 2029
Zoning Board of Appeals – Alternate – term expires June 30, 2027
Zoning Board of Appeals – Alternate – term expires June 30, 2028

ADJOURNMENT

Motion by Councilmember Olson for adjournment at 7:45 p.m.

Motion supported by Councilmember Ludington and concurred in by unanimous vote.

Robert J. Teich, Jr., Mayor

Amy K. Kohagen, City Clerk

*Due to their length, text of marked items is not included in the minutes. Full text of these documents is on file in the Clerk's Office.