



# CITY Manager

## February 2026

### Update

Happy February! We survived January; that was a rough one... The endless snow and cold has certainly kept our DPW busy with dealing with clearing of the roads of snow and ice. This weather got our salt pile down to a scary level before it was replenished. We even made the news a few times talking about plowing and avoiding frozen water pipes. Here's to hoping February is a little kinder to us. If nothing else it is the shortest month; so, March will be here sooner than we think.

**240 Helen Ave.-** Some of you may have noticed the activity surrounding the house at 240 Helen Ave. In recent years we have issued a few citations for long grass, blight and building violations at this address. It became apparent in mid-2025 that the buildings would have to be demolished. I will not dig into the history of this address to respect the previous owner's privacy. When it became apparent that the building was going to require a demolition the City weighed the costs of pursuing a demolition through court judgments or outright purchase. The City saw the best path forward was to purchase the property and control the demolition and the property through the redevelopment process. Which is what we did for \$5,000. However, we are required to pay the back taxes and the cost of abatement and demolition of the buildings. This total is somewhere in the \$35,000 neighborhood. We anticipate getting all or most of this back when the property changes hands to its next owner. However, it should be understood that the community benefit to cleaning this property up is not insignificant. Even if we were unable to receive all of the money we invested in this project, the project would be viewed as a success. The goal is to have the demolition completed in February with the selling of the property to a willing developer by as early as March with a Request For Proposal (RFP). The goal for this property has always been to get the property cleared and in the hands of a developer as soon as possible. There are a few other properties across town that we are wanting to do the same thing with. We do not want a handful of derelict property owners to bring down neighborhoods' appearance and standards. That is why we enforce local ordinances for long grass, blight and building violations.

**Water Line Freezing-** As you know during long cold winters there is a real possibility of freezing water mains and services. While private services will freeze prior to the City's water mains, no water credits can legally be offered for the safety of private services. When needed, the City of Otsego will attempt to inform the community to run their water at the width of a pencil lead. While some private services are rather shallow and exposed to the elements of a cold winter; the City water mains are located roughly 4' deep and it takes a significantly cold winter to have frost reach that depth. If you have exposed or shallow water service lines you should consider doing that prior to a City-wide declaration. We monitor the depth of frost daily during the extreme stretches of winter. While it may seem cold or insensitive to not offer water credits for customers attempting to save their private service line; it is actually against our own ordinance. We can not offer any discounts or special treatment to any of our customers. It

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would be unfair to offer discounts to those who are trying to keep their own private services operating.

**Ice Rink-** This time of the year there is one question that we are asked at City Hall more than all other questions combined. That question is; “Is the ice rink open?” An ever-popular attraction for the cold winter months. Unfortunately, the weather plays a pivotal role in answering that question. As you could imagine; it needs to be cold, like really cold. And not only cold overnight, but ideally it stays well below 32 degrees during the day as well. Recently that has not been an issue but during most years you would be surprised how hard it is to get a long stretch of very cold weather. If the weather cooperates it keeps the ice solid. If the weather doesn’t cooperate or if the ice is damaged, we have to close it temporarily to repair it with additional water being applied to fill the voids. Previously we have considered buying a cooler that allows us to keep the ice solid when the weather is slightly above 32. However, it was substantially more than we were willing to pay. So, we wait for the weather to cooperate. As for this year we have been able to keep it open for an extended period. One positive with this winter weather.

**Budget Workshops-** If you have ever been interested in learning more about the City of Otsego budgetary processes and details I have good news for you! Every year starting in April we begin a series of Budget Presentations for the upcoming fiscal year which commences on July 1<sup>st</sup>. They are broken down by fund and allows for a deep dive on all of the operations and include discussions on additions or subtractions from the previous year’s budget. The presentations are led by our Finance Director and it is an opportunity to get answers to a lot of financial questions that often come up throughout the year with detailed descriptions. The presentations are given during City Commission meeting on the 1<sup>st</sup> and 3<sup>rd</sup> Mondays of every month at 7 pm. Check our Facebook page and website in case they are canceled or rescheduled. The tentative schedule is as follows:

April 6 <sup>th</sup>	Local and Major Roads and Motor Pool Fund
April 20 <sup>th</sup>	Water and Sewer Funds
May 4 <sup>th</sup>	Public Safety and General Fund
May 18 <sup>th</sup>	Public Hearing and Vote

**Water and Sewer Rate Study-** We have been long overdue to have our water and sewer rates analyzed by a neutral 3<sup>rd</sup> party contractor. That took in the final months of 2025 and we received those findings at a recent City Commission meeting in January. The sewer rates are not too far off from where we need for them to be to keep us on schedule to not only pay for the operations but also pay for upcoming needed capital expenditures. The water rates on the other hand are incredibly low and will need to be increased. The biggest culprit within the Water Fund is the state mandated lead service line replacements for all lead or galvanized water service lines. This mandate comes without any additional funding to cover the large cost. We have partially completed this work but to meet the 2037 deadline we will be needing to spend upwards of \$3M! With that on top of the rising costs of all of our supplies and chemicals unfortunately rate increases are coming. To be honest they should have been implemented a few years back. We have traditionally hesitated to increase rates unless it was absolutely needed. After the rate analysis we have identified that we are now in a position that we need to make significant increases to assure that we can continue to provide the high level of service that our customers

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expect. There will be many more conversations on this topic as we move forward with a discussion at the February 16<sup>th</sup> City Commission meeting and then setting rates at the March 2<sup>nd</sup> City Commission meeting to take effect July 1<sup>st</sup>.

***Automatic Aid Agreements-*** At our February 2<sup>nd</sup> City Commission meeting we entered into multiple automatic aid agreements; aka Mutual Aid. These are important agreements that provide additional resources for large events such as rescues and structure fires when manpower is important; not medical calls. These agreements are reciprocal; meaning we go to theirs and they come to ours. The agreements are with the City of Plainwell, Gun Plain Township, Gobles-Pine Grove Township, Alamo Township and Allegan Fire District. Each of them provide backup for a set geographic location within the City of Otsego and Otsego Township. The benefit of these agreements is that it sends the tone out to the other agencies at the same time as it does to OFD. If these agreements were not in place we would have to call for assistance after we have already arrived on scene and identified the need. This delay can sometimes make the difference of whether a person or building is saved. Minutes mean everything during emergencies. And remember that this is only for rescues and structure fires.

***Transfer Station Coupons-*** Are you aware that you are given a free trip to the City of Otsego Transfer Station? The City Commission annually approves of the release of 1 free trip coupon to the Transfer Station for all water/sewer services every year. So, if you have a water and sewer account you are entitled to a coupon. The coupon is eligible for one free pickup truck full of garbage to bring to the Transfer Station throughout the 2026 calendar year. These coupons help all residents to keep their property free of clutter and get that pile of junk out of the basement or garage that seems to always accumulate. In the situations of blight violations, it also allows for a free way to bring a property into compliance. Another idea is to donate it to another household in the City of Otsego if you do not have a use for it personally. If you are interested in picking yours up stop by City Hall or ask about it the next time you pay your water and sewer bill.

***Rental Inspection Citations-*** If you remember back to late 2025, we emphasized the need for the revival of our Residential Rental Inspection Program. We partnered with Professional Code Inspections to conduct the registrations and inspections in compliance with our City ordinance. That process begins with the sending of multiple letters to landlords to get a rental registered and scheduled for an inspection. When no response comes a citation is issued. We have recently begun writing tickets at this point. And as future letters are ignored more citations will come. The reason I am bringing this to your attention is that if you are one of those landlords who have received those letters and have chosen to refuse to comply or ignore the letters, the Otsego Police Department will be writing you a citation for a Municipal Civil Infraction. Don't ignore the letters! Rental inspections are on the short list of topics that I am the most passionate about. It may seem silly but protecting our residents who rent from potential catastrophic danger for only a nominal cost and inconvenience to the landlord is a position I will always defend. If you are curious how we find rentals; we send letters to those properties that have demonstrated that they are rentals through tax forms, advertisements or past registrations. When an owner informs us that they are in fact not a rental and can demonstrate that to us, we remove them from the list.

***Playground Update-*** If you remember back to Labor Day; the playground equipment at Northside Park was set ablaze in a despicable act of arson. We made plans of rebuilding that

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damaged portion in the spring of this year. Knowing that it would take a while to get the materials ordered and put together a plan for installation, we thought that would be realistic assuming the contractors were charging a reasonable amount. I have an update to that plan and to summarize; it is not good. After waiting over 2 months to get a quote from the original manufacturer of the equipment we finally received those costs. After receiving it, I was wishing that we didn't. It is a well-known fact that playground equipment is expensive, I would say excessively expensive. As a reminder; we received \$45K of insurance proceeds and we anticipated that it would probably be a little bit more than that to get it rebuilt somewhere in the neighborhood of \$65-\$80K. The quote came in at \$149K. I can offer some additional details on that quote. This included the materials coming in at \$40K and our DPW would be doing the installation. The contractor would be providing 4 employees to supervise the installation and project as a whole and inspect afterwards for a whopping \$109K on top of the cost of materials. We politely declined the offer. The rest of the playground equipment is 30 years old and will unfortunately have to be replaced at some point in the near future. Spending that amount of money there would be widely viewed as a waste and rightfully so. However, it leaves us in an interesting spot. Considering I highly anticipated that the contractor would be able to do the work for an acceptable number, I have not had sufficient time to think through alternatives but as I see them at this point we have 2:

1. Do the best we can to replicate the portion of the playground equipment destroyed with materials that we purchase and install ourselves. This should still be substantially less than the \$45K insurance proceeds. It will most likely not be exactly as it was.
2. Save the money and accept the fact that the playground equipment will not be the same. The \$45K will be useful to help us save enough to replace the entire playground down the road in the future. When? That is impossible to tell at this point, because the cost will be incredibly exorbitant.

The back drop of all of this is the fact that the community has demonstrated that they love this playground and have a personal connection to it. Which has me leaning towards option 1; I feel that we have to do something. I know some will say that the community can organize and volunteer to do the installation again to save costs. However, that is not exactly the problem or possible for this replacement. The amount of playground equipment is pretty small and those excessive costs were counting on our DPW Technicians doing the actual installation. Their excessive costs were more for a project management service than installation. Those services are obviously not needed in this situation. More to come as we make some decisions in the months to come. Please understand that we are just as frustrated as you may be.

Feel free to reach out to me at City Hall if you have any questions about these topics or anything else that you may be pondering. Drive safe and slow down.

Aaron Mitchell  
City Manager

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