CITY OF BURTON
REGULAR COUNCIL MEETING MINUTES
DECEMBER 15, 1997, 7:30 P.M., COUNCIL CHAMBERS

INVOCATION AND PLEDGE OF ALLEGIANCE IS LED BY COUNCILMAN CHARLES CROSS.

THIS REGULAR MEETING WAS CALLED TO ORDER BY Charles Cross AT 7:40 P.M.

MEMBERS PRESENT: Centilli, Cox, Cross, Hammon, Martinbianco, Walls and Zelenko.

MEMBERS ABSENT: None.

OTHERS PRESENT: Mayor Charles Smiley; J. Major, DPW Director; Attorney Richard Hamilton and G. Webster, City Clerk.

Cross moved and Zelenko seconded the following motion:

Approve and authorize the minutes of the following meetings: Special Meeting of December 1, 1997 at 7:15 P.M. and the Regular Meeting of December 1, 1997 at 7:30 P.M., as printed. Motion carried 7-0.

ADMINISTRATIVE REPORT:

Mayor Smiley welcomed Atherton High School students to the meeting. He announced the Christmas Holiday schedule. City Hall will be closed December 23rd at 5:00 P.M. and will reopen January 5, 1998. Essential personnel will be on call for any emergencies. The Mayor will be available at home if needed.

The Mayor would like Council's ideas on upcoming budget sessions. He would like to complete the budget process early this year.

He wished Council a Merry Christmas and said he would not be present at the Special Council Meetings on December 18, 1997.

Mr. Major reminded Council that there would be two meetings held December 18th one at 7:00 P.M. for the Water Tower Project and one at 7:15 P.M. for the Atherton Road Watermain Project.

COMMITTEE REPORTS:

Mr. Cox said the Finance Committee met to review the proposed Kelly Walker Development, Spring Garden Subdivision. By a 3-0 vote, the Committee recommends to full Council to approve agenda items #6-13, in reference to this project.

Mr. Cox reported the Burton Neighbor Housing Citizen's Committee met on December 10, 1997. He talked to Peggy Jury from Dupuis & Ryden and they were disappointed that the audit was not completed. The audit was still in a state of confusion, but extra staff will be added to complete the 95-96 audit by the end of January.

Mr. Martinbianco hasn't been able to discuss this matter with Mrs. Jury. The Burton Neighborhood Housing Committee will meet Thursday afternoon at 3:30. He will share any new information at the next meeting.

Mr. Cross reported that the Legislative Committee met December 3rd to review the Second Reading of the Comcast Ordinance. The Committee recommended by a 3-0 vote to send Ordinance 20-A C to the full body. The last time this ordinance was updated was January 1, 1993. This needs to be done to recoup franchise fees.

Mr. Cross will be referring the following proposed ordinances to the Legislative Committee:

-The Children and Tobacco Ordinance was referred by the Police Department and will help keep children off the streets at night. The enforcement of this local ordinance will be completed with minimal paper work. The corresponding State ordinance is M.C.L.A. 436.33 b.

-Alcoholic Beverages Consumption for Persons Under 21. This was referred by the Police Department and will cut down on paper, while helping to enforce the curfew.

-Public Safety Cost Recovery Ordinance was referred by the Fire Chief and has been discussed for about eight years.

AUDIENCE PARTICIPATION:

Pauline Dargel, 6119 Hugh, spoke on the upcoming public hearing for the Water Tower Project and Agenda Item #16, in regards to the Veteran's Memorial Fund.

Mr. Major said the City was applying for a grant from the Revolving Fund Program through the State of Michigan for water construction. As far as we knew, we were able to qualify for those dollars, even though we were ahead of schedule. When we decided to change the capacity of the tower from 250,000 gals. to 400,000 gals., we were going to sell revenue bonds or finance it through the Depreciation Account from our sewer department. However, the State came up with the Revolving Fund Program and we decided to apply for that. They're running behind schedule and we're ahead of schedule. I just found out that we probably won't qualify, because we are just too far ahead of the program. We can't initiate a contract for the water tower replacement in advance of the award of the Revolving Fund. We will probably end up selling revenue bonds or pursue some other form of financing. We will still be holding the public hearing to qualify from that stand point. The contractor will not hold the bids for an additional period of time until the awards would be given in April of 1998. Rowe Engineers are our grant applicator. We're under a State Health Department mandate to get the water tower refurbished or reconstructed. We need the extra gallons of water and the extra pressure to support the south end system , so we will need to construct a new tower.

Discussion continued on the Water Tower Project.

Amy Gilson, Rowe Engineering, said the developers are trying to line up their jobs now for the upcoming year.

In regards to Item #16, the Mayor said the $26,000 debt on the Veteran's Memorial includes the brass plates and other outstanding bills.

John Stapish, 5160 E. Atherton Rd. spoke on Items #6, 9, and 13. He asked if CHMP was the City's only engineering firm.

Mr. Major said we use various engineering firms. It is customary for the developers to choose their own firm.

In regards to Items #6 and 9, Mr. Stapish asked if the water lines would serve only the subdivision or the whole surrounding area of Atherton Rd.

Mr. Major said it would serve only the internal subdivision.

Mr. Petrella, 1081 Howe Rd., spoke on Agenda Items #16 and 19. He wanted to know if there would be future debt added to the Veteran's Memorial. He suggested fund raisers to help finance outstanding bills.

Mr. Hammon said this should cover most of the current costs to date. There might be an expansion to the project in the future. Additional funding would have to be addressed at that time.

In reference to Item #19, Mr. Petrella asked why the Water Tower Project is being done.

Mr. Major said the water tower needs to be reconstructed due to the age of the tank, lack of pressure and capacity of current tower. This area is isolated from the rest of systems. Also, there is a heavier demand for fire safety. It costs the City about $40,000 to clean and refurbish the current tower every five years.

COUNCIL DISCUSSION:

Mr. Cross corrected Item #2 to read $120.00 instead of $795.18.

Mr. Cox said the Water Tower Study completed by Rowe Engineering was exceptional, worthwhile and put us ahead of the game. The $20,000 verses selling bonds and being able to borrow from the revolving loan at a lower rate, could certainly be eaten up by the higher cost. The current bids could be substantially higher at a later date.

Mr. Martinbianco disagreed with these comments. He said if we pay interest of 5 ½% for our bonds instead of 2½%, we will be paying double the interest cost. He feels that waiting until June or July for construction might be money well spent in waiting, if he has some assurance that the money will be there. He said it was difficult to make a financial judgment at this time.

Mr. Major said he will have Mr. Becker review this matter and make a determination on the best alternative financing.

Discussion continued on this matter.

Mr. Cox made a motion to have agenda Items #6-13 be voted on in a block. These are all items relating to the Walker Project. Mr. Martinbianco supported the motion.

Mr. Cox made a motion to have Item #16 removed from the agenda and referred to the Finance Committee.

Mr. Hammon asked if there was a bill due on the Veteran's Memorial.

Mayor Smiley said there was a bill due and now we will have to wait 30 more days to pay it.

After a 6-1 vote, Mr. Hammon removed agenda Item #16 and referred it to the Finance Committee. Mr. Cross seconded the motion.

Mr. Martinbianco made a motion to have agenda Items #18 and 19 removed and sent to the Finance Committee. Mr. Cross seconded the motion. Mr. Martinbianco said this would give Mr. Becker a chance to review our options in this matter.

After further discussion on the water tower project, Mr. Martinbianco and Mr. Cross with drew the previous motion to send Items #18 and 19 to the Finance Committee. Mr. Martinbianco asked that Mr. Major give him the name of the State official dealing with the Revolving Fund Loans. He plans to pursue this matter.

Mr. Hammon announced that the motion was rescinded.

Items #18 and 19 were carried by a 7-0 vote.

In reference to Item # 14, Mr. Cross announced that he was not happy with Maple Pointe Subdivision. He didn't get an answer yet from CHMP about the culdesacs that are already paved, but he would vote for this to start the funding.

COUNCIL DISCUSSION ACTION:

Mr. Cox moved, Supported by Mr. Martinbianco to have agenda Items #6-13, dealing with the Walker Project, be voted on in a block. Carried 7-0.

Mr. Cox moved, Supported by Cross to have agenda Item #16 removed from the agenda and referred to the Finance Committee. Carried 6-1, with Mr. Hammon voting no.

COUNCIL ACTION:

Walls moved and Zelenko seconded the following motion:

1. Approve and authorize the Attorney Billing (Richard Austin) from November 24, 1997 to December 10, 1997, in the amount of $2,287.00. Motion carried 7-0.

Cox moved and Zelenko seconded the following motion:

2. Approve and authorize the Attorney Billing (Richard Hamilton) from November 24, 1997 to December 10, 1997 in the amount of $120.00. Motion carried 7-0.

Cross moved and Martinbianco seconded the following motion:

3. Approve and authorize the Mayor's appointment of Mike Ellithorpe, 2222 McLaren Street, Burton, MI, 48529, to the Salary Commission. Term to expire October, 2004. Motion carried 7-0.

Zelenko moved and Martinbianco seconded the following motion:

4. Approve and authorize the request for a Sanitary Sewer Installer's License for Timothy Belill, dba Belill's Enterprises, Inc., 12238 Marshall Rd., Montrose, MI 48457. Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

5. Approve and authorize the request for a Watermain Installer's License for Timothy Belill, dba Belill's Enterprises, Inc., 12238 Marshall Rd., Montrose, MI 48457. Motion carried 7-0.

*Agenda Items #6-13 were voted on in a block.

Cross moved and Zelenko seconded the following motion:

6. Approve and authorize the construction of an 8" public water system for Phase I of Spring Gardens Subdivision #1 (a single family development), Section 26, at an estimated project cost of $57,000.00 (DPW Job #97-009-W). Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

7. Approve and authorize the transfer of $57,000.00 from the 1997/98 Sanitary Sewer Unappropriated Surplus

Account and/or Water Unappropriated Surplus Account to DPW Job #97-009-W subject to reimbursement through the collection of a front foot/lot fee, in addition to the mandatory tap-in and meter/inspection fees. (Note: A 100% payback will be received by the City through a front foot/lot fee from Phase I of Spring Gardens Subdivision #1 and paid back at a time of sale of lot per contract with the City. Water fund transfer to be paid in full within seven (7) years of final plat approval or financial guarantee for improvements. Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

8. Approve and authorize the Mayor and Clerk to execute Engineer Exhibits on behalf of the City of Burton and its City Council with Rowe Engineering, Inc. for engineering services in the amount of $4,500.00 (DPW Job #97-009-W). Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

9. Approve and authorize the construction of an 8” public municipal sanitary sewer system for Phase I of Spring Gardens Subdivision #1 (a single family development), Section 26, at an estimated project cost of $80,000.00 (DPW Job #97-002-SS). Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

10. Approve and authorize the transfer of $80,000.00 from the 1997/98 Sanitary Sewer Unappropriated Surplus Account to DPW Job #97-002-SS, subject to reimbursement through the collection of a front foot/lot fee, in addition to the mandatory tap-in and meter/inspection fees. (Note: A 100% payback will be received by the City through a front foot/lot fee from Phase I of Spring Gardens Subdivision #1 and paid back at time of sale of lot per contract with the City). Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

11. Approve and authorize the Mayor and Clerk to execute Engineer Exhibits on behalf of the City of Burton and its City Council with Rowe Engineering, Inc., for engineering services in the amount of $5,500.00 (DPW Job #97-002-SS). Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

12. Approve and authorize the Mayor and Clerk to execute a contract on behalf of the City of Burton and its City Council with Kelly Walker of Walker Development Co., 5360 E. Atherton Road, Burton, MI 48519 relative to Phase I funding for Spring Gardens Subdivision #1, that the payment of sanitary sewer and watermain front foot fee shall be with the sale of the lot. Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

13. Approve and authorize the City Controller to transfer $10,500.00 from the 1997/98 Water Division Unappropriated Surplus to the Spring Gardens Subdivision #1, Phase I, a 14 lot subdivision, watermain service leads (DPW Job #97-009-W). (Note: 14 lots x $750.00 meter and service fee will generate $10,500.00). Motion carried 7-0.

Cox moved and Zelenko seconded the following motion:

14. Approve and authorize a Treasury resolution for the filing of the Notice of Intent by City Treasurer to issue and sell 1998 Special Assessment Limited Tax Bonds, at Two Million Dollars ($2,000,000.00), not to exceed, pursuant to Act 279, Public Acts of Michigan, 1909, as amended for the purpose of defraying all or part of the cost of acquiring and constructing various public improvements in Special Assessment

Districts P-97-1: Maple Pointe Subdivision 1-5; P-97-2: James Street; P-97-3: Mandeville St.; P-97-4: Howe Road; P-97-5: Judd Road; P-97-6: Allen Street; P-97-7: Christner Street, and P-97-8: Springfield Street; W-97-1: Meadowcroft Estates, with the Michigan Department of Treasury. Motion carried 7-0.

Cross moved and Zelenko seconded the following motion:

15. Approve and authorize the setting of a 2nd Public Hearing for Zoning Case #232, for January 19, 1998 at 7:00 P.M. (Frank Yow & Brandon Eister, 13389 Lakeshore Dr., Fenton, MI 48430). Motion carried 7-0.

*Agenda Item #16 was removed from the agenda and sent to the Finance Committee.

Cox moved and Cross seconded the following motion:

16. Removed - Approve and authorize transfer of funds of $26,000.00 from General Fund-Public Service-Drains-at-Large to Capitol Improvement-Veteran's Memorial Park. Motion to remove carried 6-1 with Hammon voting no.

Martinbianco moved and Zelenko seconded the following motion:

17. Approve and authorize the addition of the Atherton Road Watermain Project's acceptance of low bid and awarding of a contract for construction to the Special City Council Meeting of Thursday, December 18, 1997 at 7:15. Motion carried 7-0.

Zelenko moved and Centilli seconded the following motion:

18. Approve and authorize the acceptance of the low bid of Chicago Bridge & Iron (CBI) of Plainfield, Illinois, in the amount of $726,100.00 for the elevated water tower. Motion carried 7-0.

Zelenko moved and Centilli seconded the following motion:

19. Approve and authorize the awarding of a contract for the construction of the replacement of the elevated water tower at Bristol & Saginaw Streets to Chicago Bridge & Iron (CBI) of Plainfield, Illinois, and instruct the Mayor and Clerk to execute a contract on behalf of the City of Burton and its City Council contingent upon approval of the City Attorney, Controller/Treasurer and receipt of a Revolving Fund Grant from the State of Michigan and/or Sale of Revenue Bonds and/or transfer of necessary funds from the Sanitary Sewer Depreciation Account. Total estimated project costs for DPW Job #97-001-W at $830,000.00. Motion carried 7-0.

SECOND READING OF AN ORDINANCE:

Cross moved and Zelenko seconded the following motion:

1. Approve and authorize the second reading of Ordinance No. 20-A-6 C, amending Ordinance No. 20-A C being an Ordinance granting Comcast Cablevision a franchise to operate a cable television system in the City of Burton by increasing the franchise fee paid to the City by Comcast Cablevision. Motion carried 7-0.

MEETING ADJOURNED AT 8:35 P.M.

Gayle Webster, City Clerk