CITY OF BURTON
REGULAR COUNCIL MEETING MINUTES
AUGUST 4, 2008, 6:00 P.M., COUNCIL CHAMBERS
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Council President Tom Martinbianco led the Invocation.
Councilwoman Ellen Ellenburg led the Pledge of Allegiance.

The Regular Meeting was called to order by Council President Tom Martinbianco at 6:10 p.m.

MEMBERS PRESENT: Conley, Haskins, Heffner, Ellenburg, Martinbianco, Tinnin and Zelenko.
MEMBERS ABSENT: None.
OTHERS PRESENT: Mayor C. Smiley; D. Halstead, Fire Chief; Attorney R. Austin and G. Webster, City Clerk.

Ellenburg moved and Zelenko seconded the following motion:

Approve and authorize the minutes of the following meeting: Regular Council Meeting on July 21, 2008 at 7:00 p.m. Motion carried 7-0.

ADMINISTRATIVE REPORT:

The Mayor indicated that the City has maintained the same level of services, even though there have been record home foreclosures contributing to high weed issues.

The Mayor indicated that there have been several improvements at Kelly Lake. He welcomed other suggestions regarding low impact improvements to the park. The water quality is safe. The DNR recently taught a class at Kelly Lake.

The Mayor indicated that Chief Doug Halstead has been successful at acquiring grant money for fire station equipment. Recently, the City received $1,435 in grant money for safety vests. In addition, the Fire Department has applied for a grant that would provide resuscitation masks for animals.

Chief Halstead asked Council to add an agenda item that would provide a transfer of funds to complete the purchase of the Martha St property. This property will be used to accommodate the new fire station.

Mrs. Webster reviewed the new polling site locations. She indicated that the new laptops would be used in the August primary.

The Mayor announced that the "Back to the Bricks" road cruise was scheduled for August 13-14th. He said the cruise was growing bigger every year. The cars will travel down Saginaw St. This will provide fun and entertainment for the whole family.

COMMITTEE REPORTS:

Mrs. Ellenburg said the library committee would be painting the trim on the library August 16-17th starting at 9:00 a.m. There is a need for volunteers. Coffee, donuts and lunch will be provided.

AUDIENCE PARTICIPATION:

Rick Fuhst, 1208 S. Genesee Rd., spoke in reference to several areas of the City that needed to be cleaned up or repaired, which included 4474 E. Court Street, the Belsay Rd. railroad tracks and Gilkey Creek. He would like a status report on Gilkey Creek.

Don Sanderlin, 4460 Killarney Pk., requested a left hand turn signal be added to the Dort Hwy. and Maple Rd. intersection. He would like a status report on the Maple Rd bridge repairs.

Pauline Dargel, 6119 Hugh St., referenced a meeting regarding Zito Construction that was held at City Hall on June 18th at 4:30 p.m. She asked for further explanation on the meeting.

John Stapish, P.O. Box 190134, asked for a status report on the Keller Thoma billing. He felt $89,500 was a high price for the Martha St home. He felt there was selective enforcement on the high weed mowing. He referenced several areas in the City that needed to be cleaned up, which included the corner of Hemphill and Saginaw St., Atherton Road railroad tracks and mounds of dirt along I-69.

Ken Baker, 1133 Forrest Ave., spoke in support of purchasing the Martha St. home. He felt the owner should be able to make a reasonable profit on the property. He felt the costs of the fire station project had increased $89,000 due to the long delay of the project.

Cheryl Sclater, 2093 Woodland Pass, indicated that she was on the Burton Chamber of Commerce and the Planning Commission. The last thing she wanted to do was take money from the City. Her mother purchased the house on Martha St. and her name is on the title. They are asking the SEV plus 10%. That is how the selling priced was determined. She said $22,000 was put into home repairs so it could be rented.

COUNCIL DISCUSSION:

Mr. Martinbianco referenced an addition to the agenda. This involved the acceptance of the bid for the Allen St demolitions. The asbestos inspection wasn't completed until Thursday afternoon. Therefore, the agendas were already distributed. The bids are complete and DPW would like to move forward with the demolition as soon as possible.

Moved by Haskins, seconded by Zelenko to add as Item 6: Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval by the City Attorney of the required bonds and insurance documents, on behalf of the City of Burton with Efficient Demolition, 6319 Potter, Davison, Mi 48423, in the demolition amounts of the following: 1) 1352 Allen $9,840.00; 2) 1348 Allen $18,880.00. The motion carried 7-0.

A brief discussion was held in reference to adding an agenda item dealing with a transfer of funds for the Martha St property. Mr. Martinbianco questioned the City's future obligations when the bonds were ultimately sold and issued. Mr. Austin said the proposed agenda item addressed both the transfer and the reimbursement for future bond proceeds.

Moved by Zelenko, seconded by Haskins to add as Item 7: Approve and authorize a transfer of funds in the amount of $90,000 dollars from General Fund Contingency to General Fund Fire Department-Land Acquisition Funds to be reimbursed from proceeds received from future bond sale.

Mrs. Tinnin asked for clarification on the dollar amounts listed in Items 5 and 7. She felt that Item 5 should state more specific information in reference to closing cost. She wanted to know if Item 7 did include the closing cost.

Mr. Austin said the closing cost couldn't be calculated precisely at this point in time due to so many unknown factors. That is why incidental closing costs were stated. The Chief estimated those closing costs at about $500.00. That may be a little low. He said the $90,000 in Item 7 did include $500.00 for closing cost.

Mrs. Tinnin felt that Item 7 should read $89,500 plus incidental closing costs.

Mrs. Zelenko moved and Mr. Haskins supported the amendment to Add as Item 7. Approve and authorize a transfer of funds in the amount of $89,500 dollars from General Fund Contingency to General Fund Fire Department-Land Acquisition Funds to be reimbursed from proceeds received from future bond sale.

Mrs. Webster asked for clarification on the amendment. Mr. Martinbianco said this motion would mirror the $89,500 listed in Item 5. He said Item 7 would not deal with the closing costs. These costs were referred to in Item 5.

A vote was taken on the amended addition of Item 7. The motion carried 7-0.

In reference to Mr. Sanderlin's request for a left hand turn signal on Dort Hwy, Mr. Martinbianco said it would have to go to the Genesee County Road Commission for approval and funding. There would probably be a traffic count to determine the need for a light.

In regards to Mrs. Dargel's comments on a meeting held at City Hall, Mr. Martinbianco said a meeting was held in reference to residents' complaints with Zito Construction. They discussed utilization of the hours of operations in reference to the Consent Agreement. The Attorney indicated that any violations of the agreement would not be tolerated. If there were any type of emergency situation, the City would be forewarned.

In reference to Mr. Stapish's comments, Mr. Martinbianco said Keller Thoma has been reviewing some issues dealing with concerns with existing and future contractual agreements. We want to make sure every thing is done properly.

Mr. Haskins spoke regarding the purchase of the Martha St. home. He said the Fire Department has been diligent and patient with the City, the Mayor and everyone involved. He would hate to see the project held up any longer. Further delay would increase the cost of the project. He explained any time someone purchases a home they look at the investment prospects. He said the main concern was to acquire the property. The building at Station 2 was dilapidated and was in dire need of being torn down. The station should be rebuilt to provide safety and service for the residents.

Mrs. Tinnin wanted to know if we had a certified appraisal for the Martha St. house. She felt it was important to have a current certified appraisal reflecting today's market.

Mr. Halstead said there was an appraisal done in 2005. He did not have a current appraisal. He said the value of the house was inconsequential. They needed to acquire the two lots, if the station was going to be built at that location.

Mrs. Tinnin felt the Fire Chief was not in a position to negotiate a purchase agreement on behalf of the City. A certified appraisal should be done and then negotiated from that point.

Mr. Haskins wanted to know if the purchase of this home was included in the total construction of the fire station.

Mr. Halstead said yes, the architect included the purchase of this home, at this price, in the bid price on the fire station. Since the bond issue was initiated, the price of the station has increased $89,000.

Mr. Martinbianco asked for clarification relative to the 5% loss. He said we are not going to build in the winter. So we won't lose those costs.

Mr. Halstead said $49,000 were winter costs and $40,000 were increases in construction costs. The price of everything is going up. The delay will cost the City more to build the station.

Mrs. Ellenburg said what if an appraisal was done. What if the cost came in higher, who would negotiate for the City? What if the buyer said no. That might put the project on hold. The longer we prolong this, the higher the cost is going to be. She felt the new fire station would be an asset to the City.

Mr. Martinbianco said he was not qualified to negotiate on the property.

Mrs. Zelenko agreed with Mrs. Tinnin that there needed to be some type of certified appraisal on record to establish the current value of the property. The appraisal in 2005 was approximately $77,000. The 2007 assessed value was $40,600. She felt it was reasonable for Mrs. Sclater to ask market value plus 10%. The money has been allocated. Therefore, we should continue with the project.

Mr. Martinbianco said just because people choose to invest money doesn't mean it will pay off. Market value is like water, it seeks it's own level. Just like in this economy it seeks it's own level. He felt these types of policy decisions, relative to the purchase or acquisitions of properties, need to go through a different process in the future.

COUNCIL DISCUSSION ACTION:

Moved by Haskins, seconded by Zelenko to add as Item 6: Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval by the City Attorney of the required bonds and insurance documents, on behalf of the City of Burton with Efficient Demolition, 6319 Potter, Davison, Mi 48423, in the demolition amounts of the following: 1) 1352 Allen $9,840.00 2) 1348 Allen $18,880.00. Motion carried 7-0.

Moved by Zelenko, seconded by Haskins to amend the addition of Item 7 to: Approve and authorize a transfer of funds in the amount of $89,500 dollars from General Fund Contingency to General Fund Fire Department-Land Acquisition Funds to be reimbursed from proceeds received from future bond sale. The motion carried 7-0.

Moved by Zelenko, seconded by Heffner to amend Item 6 to read: Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval by the City Attorney of the required bonds and insurance documents, on behalf of the City of Burton with Efficient Demolition, 6319 Potter, Davison, Mi 48423, in the demolition amounts of the following: 1) 1352 Allen $6,850, 2) 1348 Allen $15,900, for a total contract price of $22,750.00. Motion carried 7-0.

COUNCIL ACTION:

Haskins moved and Heffner seconded the following motion:

1. Approve and authorize the Attorney Billing (Richard Austin) from July 16, 2008 through July 30, 2008 in the amount of $5,987.00.

Motion carried 7-0.

Haskins moved and Zelenko seconded the following motion:

2. Approve and authorize the Attorney Billing of Keller Thoma, 440 East Congress, 5th Floor, Detroit, MI 48226, for July 2008 in the amount of $1,045.59.

Motion carried 7-0.

Ellenburg moved and Zelenko seconded the following motion:

3. Approve and authorize the application of Metro PCS for co-location of a wireless communication facility upon the 1202 N. Genesee Road cellular tower provided that the applicant furnish a cash bond or performance bond in the amount of $10,000.00 prior to issuance of a building permit for removal of said facility.

Motion carried 7-0.

Zelenko moved and Heffner seconded the following motion:

4. Approve and authorize the application of Metro PCS for co-location of a wireless communication facility upon the G-4101 S. Dort Highway cellular tower provided that the applicant furnish a cash bond or performance bond in the amount of $10,000.00 prior to issuance of a building permit for removal of said facility.

Motion carried 7-0.

Haskins moved and Zelenko seconded the following motion:

5. Approve and authorize the Mayor and City Clerk to execute a Purchase Agreement for the purchase of 1329 Martha Avenue for the sum of $89,500.00, plus incidental closing costs.

Motion carried 7-0.

Zelenko moved and Heffner seconded the following main motion as amended:

6. Approve and authorize the acceptance of the low bid and allow the Mayor and Clerk to enter into a contract, contingent upon the submittal and approval by the City Attorney of the required bonds and insurance documents, on behalf of the City of Burton with Efficient Demolition, 6319 Potter, Davison, Mi 48423, in the demolition amounts of the following: 1) 1352 Allen $6,850, 2) 1348 Allen $15,900.

Motion carried 7-0.

Haskins moved and Zelenko seconded the following motion:

7. Approve and authorize a transfer of funds in the amount of $89,500 dollars from General Fund Contingency to General Fund Fire Department-Land Acquisition Funds to be reimbursed from proceeds received from future bond sale.

Motion carried 7-0.

Meeting adjourned at 7:12 p.m.

Gayle Webster, CMC
City Clerk