CITY OF BURTON
REGULAR COUNCIL MEETING MINUTES
MARCH 17, 2008, 7:00 P.M., COUNCIL CHAMBERS
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Reverend Bruce Gardener led the Invocation. Council President Tom Martinbianco led the Pledge of Allegiance.

The Regular Meeting was called to order by President Tom Martinbianco at 7:05 p.m.

MEMBERS PRESENT: Conley, Haskins, Heffner, Martinbianco, Tinnin and Wells.

MEMBERS ABSENT: Ellenburg.

OTHERS PRESENT: Mayor C. Smiley; K. McArdle, Personnel Director; G. Kray, DPW Director; Attorney R. Austin and G. Webster, City Clerk.

Tinnin moved and Wells seconded the following motion:

Approve and authorize the minutes of the Regular Council Meeting on March 3, 2008 at 7:00 p.m. Motion carried 6-0.

ADMINISTRATIVE REPORT:

Mayor Smiley said the Easter Egg Hunt was held Saturday at 1:00 p.m. The Parks and Recreation Commission did an outstanding job. There were 200 kids present. Mr. Heffner and the Easter Bunny were present.

The Mayor welcomed Personnel Director, Ken McArdle. He will be handling day-to-day activities along with union negotiations. In the Mayor's absence, the Council should contact Mr. McArdle.

The Mayor attended the NLC conference. The Burton delegation spent time with Congressman Kildee and Senator Levin's staff to discuss Federal issues. The MML Lansing conference will be held April 1-2. This conference will deal with issues at the State level.

COMMITTEE REPORTS: None.

AUDIENCE PARTICIPATION:

Warren Nimcheski, 2429 N. Genesee Rd., spoke in reference to tap-in fees, special assessments, sanitary sewer and water projects. He felt water and sewer fees should not be used for future development that did not benefit people that live north of Lippincott. He felt this violated the Bolt decision. He referred to an opinion written by Attorney Joliat.

Don Sanderlin, 4460 Killarney Pk., said closing down the bridge on Maple Rd. for repairs would create numerous traffic problems. He said prior notification should be given to the public. He would like a left hand turn signal added to the Dort and Maple intersection. He said a huge number of buses in the area are creating a safety hazard to motorists. He would like a traffic light installed by Meijers, at their expense.

Mr. Kray indicated that the bridge on Maple Rd was scheduled for maintenance in 2010. Proper notification will be given in advance of the construction.

John Stapish, P.O. Box 190134, spoke on code violations at the Genesys building, Door World and French's Tire. He complained that the cement company on Dort Hwy. has not reduced the 65-foot cement piles. He complained about the loose trim on the council table and the need for the DPW steps to be repaired. Mr. Martinbianco suggested Mr. Stapish contact DPW with his complaints.

Jan Bolen, 1169 Howe Rd., asked for clarification on Mrs. Abbey's and Mr. McArdle's job placements. Mrs. Bolen spoke in support of the Red Arrow residents. She said the dust would be a health hazard. She wanted to know where residents would file complaints against the company. She spoke against the $11.5 million bond. She said residents should be able to vote on the issue. She insisted Mr. Martinbianco make sure the cement company was reducing the piles of cement.

Rick Fuhst, 1208 S. Genesee, spoke regarding hard economic times in Burton. He felt we needed to replace the old Fire Station. However, he didn't think we should pursue water and sewer projects at this time. There is little chance of new development in the near future. He did not want the City to take on more financial debt. There is no way to pay it back. He asked the City to keep an eye on the cement piles.

Bill Mahler, 5245 Maple, congratulated the Council for being proactive pursing bonds for water, sewer and fire department needs. He felt interest rates were low. This was a good time to get things done while the City could afford it.

Greg Williams, 3300 Ellis Park Drive, opposed the Fire Chief having his family members in a city vehicle. If there were an accident he wanted to know who would be liable. City vehicles should not be for personal use.

Jennifer Morquecho, 2246 Red Arrow Rd., wanted to know the status of the old Palace Gardens. She thanked safety officials for their quick response to the accident on Dort Hwy. She spoke in opposition to the $11.5 million bond sale. She wanted to know how the tax dollars were being spent. She thought this issue should go before a vote of the people. She said the cement company was still in violation of the agreement. She referenced sign and tree violations.

COUNCIL DISCUSSION:

Mrs. Tinnin asked for a status report on a vacant house at 2329 Eugene. She asked for information regarding the Stantac Water Reliability Study. Mr. Kray will provide Council with a status report. She requested a copy of the MERS actuarial that will be effective July 2008. The Mayor will provide a copy as soon as it becomes available.

Mrs. Tinnin had concerns with the costs related to Item 4. She said the cost exceeded the original Rowe Engineering estimate on the relief trunk Phase I Belsay Road Coates Drain. She questioned why CHMP was now involved with the Phase I Coates Drain project.
Mr. Kray clarified that Mrs. Tinnin was speaking in reference to two different projects. The Belsay Rd Coates Drain is under construction. CHMP is providing the engineering services for

the Southeast relief trunk sanitary sewer. He explained why an additional $10,820.00 was needed for the project. All these aspects were clearly stated in the back up material.

Mrs. Tinnin had received letters and phone calls from residents with concerns about the City undertaking an $11.5 million bond payment. She said that amount would double with principal and interest payments. She said our general tax dollars are on the hook for Pebble Creek. General operating tax dollars have been pledged to pay for that bond. She did not want user fees raised to cover a new bond or the tax millage increased because the City has made poor judgment calls.

Mr. Wells clarified that a letter regarding the $11.5 million bond was distributed to residents and put in the paper. It was not factual. To say the Council didn't know what they wanted to do with this money was not true. To say the residents would not have a say in the process was not true. There will be a public hearing for residents to voice their opinion. The letter indicated there would be five miles of water main added to Fenton Rd. That is not true. The area being discussed on Fenton Rd is 1.8 mile. The letter indicated that the water rates would be increased do to the bond. That is not true. The water rates won't go up unless Detroit raises the rates. Mrs. Tinnin suggested we would be in violation of Bolt. He referred to a correspondence from Attorney Joliat dated March 17, 2008. Mr. Joliat said the connection charges authorized by the ordinances were fees and not taxes. He has never concluded that the City of Burton was in any way acting contrary to the Court's opinion in Bolt nor have I been provided with any additional information and asked if any particular course of action be contrary to the Court's opinion. Mr. Wells said we are clearly not in violation of Bolt. He hoped that in the future the residents would be provided with factual information in reference to the bond proposal. The Fire Station improvements will be part of the proposed bond. The safety improvements weren't even addressed in the letter. He asked Mrs. Tinnin to tell the truth and give the people the facts in reference to the bond proposal.

Mrs. Tinnin said that she did quote Mr. Joliat's opinion. She said revenue bonds would come out of water and sewer. She wanted to know if we planned to do water and sewer bonds out of capital improvement. She wanted to know how these bonds are paid. She said the water and sewer bonds would come out of the operations of the water and sewer department. She said the water operations were not being sustained properly because that fund was in a deficit for a number of years. She wanted to know if the rates were raised to accommodate futuristic bond needs or operations. She wanted to know if the City would have enough money to pay for the bonds in the future. She said the City could automatically raise water and sewer rates without coming to Council.

Mr. Martinbianco said the water rates could only be increased by Council resolution. He indicated that many of the plans were discussed at the November 26, 2008 workshop. He did have a problem charging depreciation off as an operating expense of the water department. He didn't consider this an operating cost. He spoke regarding a depreciation cost of $328,000. That could have replaced several water and sewer lines. Mr. Austin said even if rate increases needed to be passed on, they would have to be done by Council resolution. This is included in the codification of ordinances. It states all rate changes will be done by resolution.

Mr. Wells moved and Mr. Haskins seconded to: Add as Item 5 to approve and authorize Charles Smiley to purchase sixteen (16) years of MERS pension prior governmental service time. The total cost of $295,802.00 will be at the member's expense.

Mrs. Tinnin opposed the Mayor moving his pension funds from a Defined Contribution Plan to the MERS pension plan. She wanted back up information on this issue. She felt this should go to the Finance Committee for review. She wanted to know what he was entitled too. She felt this would not benefit the MERS actuarial. She has not been given the actuarial information.

Mr. McArdle indicated that this has been done for many years. Many officers have purchased time in MERS. He is taking his own pension money and putting it into MERS. This will not affect the taxpayers' money.

A vote was taken on adding Item 5 to the agenda. The motion carried 5-1, with Tinnin voting no.

Mr. Haskins asked for clarification on the attorney billing.

Mr. Martinbianco gave a brief explanation on rescheduling a workshop meeting for March 26, 2008.

In regards to Item 5, Mrs. Tinnin felt there should be a written acceptance from MERS on this proposed pension adjustment. She felt this would set past practice with other Defined Contribution Plan employees. She said nobody from the Defined Contribution Plan has purchased MERS time. A brief discussion was held in reference to others being allowed to purchase governmental service time for their MERS pension.

Mr. Haskins questioned Mrs. Tinnin's objection to the Mayor purchasing pension time. He said other people have purchased MERS time in the past.

Mr. Martinbianco would like DPW to address the signs at Ebenezer Church.

Mr. Martinbianco would like DPW to sweep Belsay Rd. by Burton Estates. There is a lot of dirt on the road due to construction work.

Mr. Martinbianco would like the final lift of asphalt to be added to Pine Creek. He would like DPW to use the maintenance bond to do the work.

COUNCIL DISCUSSION ACTION:

Moved by Wells, Seconded by Haskins to: Add as Item 5 to approve and authorize Charles Smiley to purchase sixteen (16) years of MERS pension prior governmental service time. The total cost of $295,802.00 will be at the member's expense. Motion carried 5-1, with Tinnin voting no.

COUNCIL ACTION:

Wells moved and Conley seconded the following motion:

1. Approve and authorize the Attorney Billing (Richard Austin) from February 27, 2008 through
March 12, 2008 in the amount of $5,241.00.
Motion carried 6-0.

Wells moved and Heffner seconded the following motion:

2. Approve and authorize rescheduling the Council of the Whole Meeting on March 19, 2008 at 5:30 p.m. to a Council Workshop Meeting on March 26, 2008 at 5:30 p.m.
Motion carried 6-0.

Wells moved and Heffner seconded the following motion:

3. Approve and authorize the attached resolution authorizing the Genesee County Road Commission to be the maintenance agency for the traffic control devices within the City of Burton.
Motion carried 6-0.

Haskins moved and Heffner seconded the following motion:

4. Approve and authorize a contract with CHMP, Inc., 5198 Territorial Road Grand Blanc, MI 48439 for engineering services for the southeast relief trunk sanitary sewer at a not exceed price of $10,820.00, to be paid from the 2007/08 Sanitary Sewer Unappropriated Surplus.
Motion carried 5-1, with Tinnin voting no.

Wells moved and Haskins seconded the following motion:

5. Approve and authorize Charles Smiley to purchase sixteen (16) years of MERS pension prior governmental service time. The total cost of $295,802.00 will be at the member's expense.
Motion carried 4-2, with Conley and Tinnin voting no.

Meeting adjourned at 8:45 p.m.

Gayle Webster, CMC
City Clerk