

CITY OF BURTON
SPECIAL COUNCIL MEETING MINUTES
OCTOBER 19, 1998, 5:30 P.M., COUNCIL CHAMBERS

The Special Meeting was called to order at 5:30 P.M. by Councilman Keith Cox.

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

MEMBERS ABSENT: Hammon and Zelenko.

OTHERS PRESENT: J. Major, DPW Director and C. Ladd, Deputy City Clerk.

CHAIR STATES THE PURPOSE OF THE MEETING: 1st Public Hearing for a Public Municipal Sanitary Sewer Program.

The President announces that: THIS IS THE TIME FIXED FOR HEARING AND CONSIDERING ANY OBJECTIONS AND/OR FAVORABLE COMMENTS TO THE PUBLIC MUNICIPAL SANITARY SEWER IMPROVEMENTS IN THE FOLLOWING SUBDIVISION, TO-WIT:

SS-98-2 Maplewood Meadows #4

DPW PRESENTATION:

Mr. Major asked the Council to refer to their drawings and stated this will be Maplewood Meadows #4 and #5. There will be two 45 lot subdivisions that will not be attached. They will be attached to existing subdivisions, but will be two separate subdivisions. One will be an extension of Maplewood Meadows #3 and one as an extension of Maplewood Meadows #2. The proper land was advertised in the Journal correctly.

We took the 1998 costs and put a multiplier on that to come up with the \$4,900.00 per lot for sanitary sewer for a total cost of \$441,000. This will be designed and bid and will be fine tuned down to what the exact costs will be. This is a little on the high side, but should end up being no different than Maplewood Meadows #3. Rowe Engineering will be the design engineer for this subdivision.

Council listens to objections and/or favorable comments to said improvements.

There was no one in the audience.

President declared the hearing closed.

COUNCIL DISCUSSION:

Mr. Cox asked if the sanitary sewer will be at grade. He was advised yes.

Mrs. Walls asked who will pay for this, up front?

Mr. Major said the homeowners, builders will pay, but there will be nothing paid up front. There will be no up front costs. Bonds will be sold. We will sell the bonds in our normal fashion in January or February of 1999, so they will all be part of our entire special assessment bond issue, which will include some subdivisions that already exist. This will be a special assessment district and bonds will be sold and they will be paid back by the builders and/or homeowners when they takeout building permits, if they so choose. They can be paid back over a 15 year period like any other special assessment districts or they can pay it off when they buy a lot without going directly from Blake without going through a builder. Should the worst case happen, where they would go

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bankrupt or the building industry fall out, we would tax the land and sell it for its value of the special assessment.

Mrs. Walls asked if we have ever done that before.

Mr. Major said fortunately, the City hasn't had to do that yet.

Mrs. Walls asked about the pay back in Phase #3.

Mr. Major said it was identical to this one. They have the options through special assessment district. The banks have agreed to take a second to the City of Burton, the mortgages would come after we receive our money for the special assessment district. Basically, it allows the homeowners to get into a piece of property with about 5% down.

Mrs. Walls said she is concerned about loading the City up too much with all these things. We have taken on more this time than we have. Why would he choose the engineering firm versus the City.

Mr. Major said the developers have always selected the engineering firm. If its a City project on our existing subdivision streets, then we choose the engineering firm.

Mrs. Walls asked Mr. Rizzo if he thought we would be in a good building mode for a few years.

Mr. Rizzo said things look good for at least a couple of years.

Mrs. Walls asked about getting into another situation like the pump station that has caused so much conflict.

Mr. Major said he hopes nothing like this would happen again. He said he thinks this would be a one time experience or mishap that should have never happened. He said he doesn't know why it came about other than somebody made a mistake.

Mrs. Walls said she is unhappy about the last development because of the retention pond and the removal of the trees. It isn't fenced and she said she is not please with the development.

Mr. Rizzo said the trees have been ordered and there will be pine trees around the border of the retention pond and they will be five or six footers.

Mr. Martinbianco referred to Page 11 on the handout. He said in the revised Phase 4 there are 41 lots and another 45 lots and now the sanitary sewer system being designed for these two plats, they are all common to the same bond issue, correct. He asked if there would be a final plat that incorporates all of the elements on the map.

Mr. Major replied yes, this is correct. He explained that Mr. Rizzo switched engineering firms and Rowe Engineering is in the middle of drawing up a complete master plan for the entire balance of the phases of Maplewood Meadows. There was a design from the old engineering firm, but Amy had to take it and rework it for these future areas. The streets will all tie in and it should be ready by the second public hearing. It will show where Phase #4 and #5 will tie into the future scheme of things for the rest of the subdivision.

Mr. Martinbianco asked if the City's participation in this, if at all, stops where the tap was made into the line? Mr. Major replied yes.

Mr. Martinbianco asked what the sales experience is in Phase #3.

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Mr. Rizzo replied 100% sold to builders and 40% to homeowners. By the time we get to Phase #4 and #5, we will need it.

Mr. Martinbianco asked if the builders that have either spoken for or covered the lots in Phase #3 will prepay these special assessments upon the execution of sale from them to the homeowner.

Mr. Rizzo said he thinks about 60% will take the long term for payment, as this will be about \$100.00 per month less on their mortgage.

Mr. Martinbianco inquired about the difference in number from the figure of \$4,900.00.

Mr. Major said it will probably come in at about \$3,209.00 or something in this area. Mr. Rizzo understands it is the number plus 25% for the figure at this point.

Mr. Martinbianco asked if the bid process would also hold true for Mr. Martz's project. He was advised yes.

Mr. Cross noted an error in the figure of page 5 of the handout. Mr. Major said he would make the correction. Mr. Cross inquired about the pay back on the sanitary sewers when the lots were sold for Phase #3.

Mr. Major said the pay back is under a special assessment district.

Mr. Cox asked to have the pay back explained and also inquired about benefit to the purchaser and the City.

Mr. Rizzo said the amount would be spread over a 15 year period and it save the homeowner about \$100.00 per month on the mortgage.

Mr. Major noted that the City doesn't have to take the money out of the enterprise funds in the water and sewer department. He said the benefit is more to the buyer than the City.

Mr. Cox asked how many total units in Phase #3. Mr. Rizzo replied about 81 units, and by the time Phases #4 and #5 are built, they will be needed.

COUNCIL ACTION:

Cross moved and Martinbianco seconded the following motion:

Approve and authorize Standard Resolution #3 for the Special Assessment

- A. Approve maps, drawings, preliminary plans, and cost estimates as presented.
- B. Determine to construct the proposed improvement as presented.
- C. Order the Department of Public Works/Engineering Division and/or the firm of Rowe Engineering to prepare final plans, specifications, and take bids.
- D. Order the Assessor to prepare final special assessment roll, with provision that the first payment will become due July 1, 1999.

Motion carried 5-0.

Meeting Adjourned at 5:50 P.M.

Cheryl M. Ladd, CMC/AAE
Deputy City Clerk

