CITY OF BURTON

The Meeting was called to order by Ted Hammon, President, at 7:05 P.M.

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

MEMBERS ABSENT: Abbey.

OTHERS PRESENT: J. Major, DPW Director; R. Bendzinski, Financial Consultant;
D. Nieman, Bonding Attorney and G. Webster, Clerk.

PURPOSE OF THE MEETING: Award the Sale for $725,000.00 of "Special Assessment Limited Tax Bonds Series 1996 and the printing thereof for Districts P-95-1 Brady Street; P-95-2 DeCamp Street; P-95-4 Norton Street; P-95-5 Packard Street; P-95-9 Allen Street; P-95-10 Buder Avenue; P-95-20 Parkwood Avenue and P-95-20A Parkwood Avenue.

PRESENTATION:

Mr. Bendzinski said there were 7 bids. The lowest bid was submitted by Comerica Securities, with interest rates over the 12 year period of 5.469669%, which was an excellent interest rate. Local banks that participated in the bidding were Michigan National, NBD, First of America, Old Kent and Citizens Commercial. There was only $249.00 difference between the first and second bidders. The bids were very competitive. Mr. Bendzinski's recommendation was for the City Council to accept the bid made by Comerica Securities.

Mr. Neiman said the bond market was at 5.91%. This bid was well within the perimeters, and all the bids were excellent. They were lower than they had expected.

AUDIENCE PARTICIPATION:

None.

COUNCIL DISCUSSION:

Mr. Martinbianco expressed concern over the high bidding of our local Citizens Bank. Also, he inquired about Citizens Bank involvement with additional firms, such as, Roney and Company.

Mr. Bendzinski and Mr. Neiman agreed this was not an unusual practice for firms to join together in these business dealings. Citizens Bank just started selling bonds again and the bids were still competitive.

COUNCIL ACTION:

Cox moved and Martinbianco supported the following motion:

1. Approve and authorize the acceptance of the low bid for the $725,000.00 Limited Tax Bonds, Series I, 1996 for a Paving Improvement for Special Assessment Districts P-95-1 Brady Street; P-95-2 DeCamp Street; P-95-4 Norton Street; P-95-5 Packard Street; P-95-9 Allen Street; P-95-10 Buder Avenue; P-95-20 Parkwood Avenue and P-95-20A Parkwood Avenue, to Comerica Securities, with an effective interest rate of 5.469669%.

Motion carried 6-0.



Cross moved and Martinbianco supported the following motion:

2. Approve and authorize the sale of the seven hundred twenty-five thousand dollars ($725,000.00) Special Assessment Limited Tax Bonds, Series I, 1996 for Special Assessment Districts: P-95-1 Brady Street; P-95-2 DeCamp Street; P-95-4 Norton Street; P-95-5 Packard Street; P-95-9 Allen Street; P-95-10 Buder Avenue; P-95-20 Parkwood Avenue and P-95-20A Parkwood Avenue, to Comerica Securities, with an effective interest rate of 5.469669%.

Motion carried 6-0.

Meeting Adjourned at 7:20 P.M.

Gayle Webster
Burton City Clerk

GW/cml