CITY OF BURTON
SPECIAL COUNCIL MEETING MINUTES
DECEMBER 18, 1997 7:00 P.M. COUNCIL CHAMBERS

This Special Meeting was called to order by President Hammon at 7:00 P.M.

Members Present: A. Walls; C. Cross; K. Cox, R. Centilli; T. Hammon.

Members Absent: P. Zelenko; T. Martinbianco.

Others Present: J. Major, DPW Director; R. Riess, Water Superintendent; J. Brown, Clerk's Office.

Purpose of the Meeting: Public Hearing relative to the State of Michigan/DEQ, Drinking Water Revolving Fund Program, Water Tower Replacement Project.

Presentation:

J. Major said the State of Michigan requires us to make application to the revolving fund, which allows us to make use of 2 1/4% loan dollars or could be as much as 3 1/2% loan dollars, by holding a Public Hearing. If this falls through then we would have to look at funding it through revenue bonds, if that would fall through then we would probably fund it through the Depreciation account in the Sewer Fund. He referred to a update from Amy Gilson of Rowe Engineering as to what has happened as of December 15, 1997. He said we probably will not qualify for the state fund as we are running too far ahead of it and the State is running too far behind. He said the bigger cities will probably knock out anybody else. Mr. R. Bendzinski advised that we hold a Public Hearing and see what happens. If we scrap the tower,then the State Health Department will make an inspection and require us to make extensive, expensive repairs to the existing tower. He said we definitely don't want to repair the tower which is 60 years old.

Audience Participation:

None

Council Discussion:

K. Cox asked for a review of our financing options: J. Major said if the loan application from the revolving fund does not come to fruition then we would apply on the open bond market with a revenue bond or borrow the money from the Sewer Depreciation account. K. Cox asked what the advantages were on either option. R. Riess said we may earn more money on the Sewer account. Discussion on the options followed. C. Cross asked what time frame or deadline do we want to have this done. J. Major said we have accepted bids and must award the contract within 60 days, waiting that long will jeopardize finishing the tower in the fall of 1998. We must move immediately or may have to make repairs to the old tower. Discussion on repairing old tower followed. It was agreed the old tower

was not worth repairing.

Meeting adjourned at 7:13 P.M.
Jeanette Brown, Clerk's Office