

CITY OF BURTON
SPECIAL COUNCIL MEETING MINUTES
2ND PUBLIC HEARING
MONDAY, MARCH 31, 2003
6:00 P.M.

Council President Larry Brawner called the Special Meeting to order at 6:00 P.M.

MEMBERS PRESENT: Bement, Brawner, Centilli, Cross, Martinbianco, Tinnin and Wells.

MEMBERS ABSENT: None.

OTHERS PRESENT: Mayor C. Smiley; C. Abbey, Administrative Assistant; J. Major, DPW and G. Webster, City Clerk.

PRESIDENT STATES THE PURPOSE OF THE MEETING:

P-03-1 – Pebble Creek Special Assessment Curb & Gutter Street Construction

The President announced that this is the time fixed for hearing and considering any objections and/or favorable comments to the construction of curb and gutter asphalt and storm sewer improvements, in the following subdivision, to-wit: Pebble Creek

ADMINISTRATIVE REPORT:

Mr. Major said the primary assessment referred to parcel number 59-35-400-040. The total cost of the paving district is \$2,040,012.00 and equates to a \$31,543.00 per lot assessment, which includes the water and sewer. Pebble Creek will be a 94-lot subdivision. The first payment will be due with the July 2004 taxes. The property owner has been notified. He said the council would be addressing Resolution 5, Item A only. Items B, C, D and E were added for informational purposes.

Council listened to objections and/or favorable comments to said improvements:

AUDIENCE PARTICIPATION:

Pauline Dargel, 6119 Hugh St., didn't think the City should bring forth a proposal for special assessment for one individual. She said that the property apparently served as the collateral with no money down. She asked for clarification on the length of the special assessment bond and if it could be paid off early. She objected to this project and said it was making a mockery of Ordinance 12.

Mr. Abbey said the special assessment bond would be for 15 years.

The President declared the hearing closed.

Council discussion relative to Items A only tonight.

COUNCIL DISCUSSION:

Mr. Martinbianco pointed out that the City did receive a signed petition from the property owner representing at least 50% of the land to be assessed.

Mr. Major agreed with Mr. Martinbianco's comments. In reference to Mrs. Dargel's remarks, he said the City did not bring forth this project. The property owner requested a special assessment district through a petition.

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Mr. Martinbianco asked for clarification on the construction bids that were submitted by R. S. Young for sanitary sewer, paving and water projects.

Mr. Major said the property owner, or a representative, solicited bids or quotes from private contractors and prepared a certified construction amount. In turn, the DPW and CHMP certified that amount. In this case, we are going to purchase a completed project at the end of construction from Mr. Eister. He or his agents are acting as the general contractor with R. S. Young. This is the route that the City Attorney recommended that we take. The contractor will pay for the city inspections. At the end of the project, we will certify the total construction amount including contingencies, bond costs and inspections. That will be our purchase back price.

Mr. Major said that we have done this in the past and that the City would certify the final construction cost.

Discussion continued in reference to the construction costs of the special assessment projects.

Mr. Martinbianco was concerned that we might have problems with the roads after construction. He referred to problems with the Hidden Trails subdivision. He wanted to know if there were enough reserve funds to repair these roads, if necessary.

Mr. Major said because this is a special assessment project, we are controlling the dollars that are being paid out from the bond issuance. We will require a one-year maintenance and guarantee bond on the final product. We will hold enough dollars back to cover the final asphalt lift.

Discussion continued in reference to the special assessment paving district.

Mr. Martinbianco wanted to know when this project would be completed.

Mr. Major predicted that this project would be completed some time this summer.

Mr. Martinbianco was concerned that there would be adverse wear and tear on the roads while homes were being built. He wanted to make sure that we would not have maintenance problems with the finished product.

Mr. Major said the performance bond would cover all defects for a year.

Mr. Abbey indicated that the last asphalt lift would not be done until the whole project was completed.

Discussion continued on the Pebble Creek paving project.

Mr. Martinbianco said the reason for the 15 month capitalized interest was because the payments would not begin until the July 2004 taxes.

Mr. Major agreed with statement

Mr. Cross wanted to know if this project could be paid off before the 15-year bond expired. In addition, he was concerned that the developer wasn't present to answer questions regarding the Pebble Creek development.

Mr. Major said that Mr. Eister was contacted by mail and he is fully aware of all these proceedings. It was his choice not to attend the meeting. Mr. Becker has built in a three-year pay off into the bond specs, if the owner decides to pay it off early. If they were paid off in that time period, we probably would not reinvest the money. It is likely we would recall the bonds and pay them off.

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Mr. Brawner wanted to know if the one-year guarantee went into effect after the last lift was installed.

Mr. Major said the one-year guarantee would commence after the second lift was completed.

Mrs. Tinnin agreed with Mrs. Dargel and spoke in opposition to the Pebble Creek special assessment districts. She felt Ordinance 12 needed to be revised. She said this was a great way for a middle person to make a lot of money off the City's good name and faith. It should exclude all private property that the City does not own.

COUNCIL ACTION:

A. RESOLUTION #5:

Wells moved and Bement seconded the following motion:

Resolution that the Council desires to proceed with the making of said improvements and the confirming of Special Assessment Roll Number P-03-1 and said costs of special assessed against the lands within the respective districts.

Motion carried 6-1, with Tinnin voting no.

Meeting Adjourned at 6:21 P.M.

Gayle Webster
Burton City Clerk

GW/cml