CITY OF BURTON
SPECIAL COUNCIL MEETING MINUTES
MAY 10, 1999, 6:00 P.M., COUNCIL CHAMBERS

THE SPECIAL MEETING IS CALLED TO ORDER BY VICE PRESIDENT PAULA ZELENKO AT 6:00 P.M.

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

MEMBERS ABSENT: Hammon.

OTHERS PRESENT: Mayor C. Smiley; J. Major, DPW Director; B. Becker, Controller and G. Webster.

PURPOSE OF THE MEETING: 1. Acceptance of Low Bid and Award the Sale for $2,500,000.00 of "Special Assessment Limited Tax Bonds Series I, 1999" and the printing thereof for Districts P-98-3 Scottwood Avenue; P-98-7 Webber Street; P-98-13 Maplewood Meadows Subdivision #4 & #5; SS-98-2 Maplewood Meadows Subdivision #4 & #5; W-98-2 Maplewood Meadows Subdivision #4 & #5; P-98-14 Maple Pointe Subdivision #8; SS-98-3 Maple Pointe Subdivision #8; and W-98-3 Maple Pointe Subdivision #8.

PRESENTATION:

Dennis Neiman, Bond Advisor, Miller Canfield, said 4 bids were received at 4:00 P.M. These bids are listed on the "Results of Bidding" sheet. This was on a 15 year bond issue. The low bid was submitted by Roney & Company for the rate of 4.558%. Mr. Neiman said this was an excellent bid and recommended Burton accept it.

Robert Bendzinski, Financial Advisor, Bendzinski & Company, said the City of Burton received a BBB+ rating from Sandard & Poor's Rating Services. A letter from Standard and Poor's Services explaining the reason for the good ratings was distributed to Council. Upon the acceptance of the bid, the proceeds will be delivered May 27, 1999.

Mr. Neiman commented on the Water and Sewer bonds that we purchased last year. He indicated that the City should be following the two year expenditure timeline or money would need to be returned to the federal government.

Mr. Bendzinski commented on the rating of the bonds. Two bond ratings were not secured, due to the cost of the second rating. He indicated that having only one rating did not influence the bond sale today. There is no requirement to have more than one rating.

AUDIENCE PARTICIPATION:

None.

COUNCIL DISCUSSION:

Mr. Cox asked what the cost of an additional rating would be.

Mr. Bendzinski said that the first rating cost was approximately $5,000. Each additional rating would probably add another $5,000 cost to the Special Assessment Bonds. It is very common to just request one rating.

Discussion continued on securing additional bond ratings.

COUNCIL ACTION:

Cross moved and Walls seconded the following motion:

1a. Approve and authorize the acceptance of the low bid for the $2,500,000.00 Limited Tax Bonds, Series I, 1999, for a various public improvements for Special Assessment Districts P-98-3 Scottwood Avenue; P-98-7 Webber Street; P-98-13 Maplewood Meadows Subdivision #4 & #5; SS-98-2 Maplewood Meadows Subdivision #4 & #5; W-98-2 Maplewood Meadows Subdivision #4 & #5; P-98-14 Maple Pointe Subdivision #8; SS-98-3 Maple Pointe Subdivision #8; and W-98-3 Maple Pointe Subdivision #8, to Roney & Company with an effective interest rate of 4.558641%.

Motion carried 6-0.

Martinbianco moved and Walls seconded the following motion:

1b. Approve and authorize the sale of $2,500,000.00 Limited Tax Bonds, Series I, 1999, for a various public improvements for Special Assessment Districts: P-98-3 Scottwood Avenue; P-98-7 Webber Street; P-98-13 Maplewood Meadows Subdivision #4 & #5; SS-98-2 Maplewood Meadows Subdivision #4 & #5; W-98-2 Maplewood Meadows Subdivision #4 & #5; P-98-14 Maple Pointe Subdivision #8; SS-98-3 Maple Pointe Subdivision #8; and W-98-3 Maple Pointe Subdivision #8, to Roney & Company with an effective interest rate of 4.558641%.

Motion carried 6-0.

MEETING ADJOURNED AT 6:20 P.M.