

CITY OF BURTON
REGULAR BUILDING AUTHORITY MEETING MINUTES
JUNE 11, 2003, 5:00 P.M., COUNCIL CHAMBERS

Karen Carr, Chairperson, called the Meeting to order at 5:05P.M.

MEMBERS PRESENT: Brad Becker, Karen Carr, Ray Rowland and Gayle Webster.

MEMBERS ABSENT: Joseph Stimac.

OTHERS PRESENT: None.

PRESENTATION:

Mr. Becker indicated that the Building Authority held a budget public hearing on May 28, 2003. He said at this meeting we would be adopting the upcoming budget for the debt service and the actual construction budget. Item 5 dealt with the approval of the audit for the year ending 2002. Dupuis & Ryden conducted the audit on the Building Authority funds. He deferred further comments until items were addressed in committee action.

AUDIENCE PARTICIPATION:

Pauline Dargel, 6119 Hugh St., asked that the minutes of May 28th be amended to reflect that she had reviewed the Building Board Construction Budget. She expressed her concerns with serious ADA compliance issues. She said the budget did not reflect any allocated funds to address ADA issues. She indicated that she was speaking on behalf of the disabled. She said the automatic door at the front entrance was a good addition to the building. She said Mr. Becker listed some ADA issues at the last meeting. City hall expansion issues included the elevator, signage, the incline to east parking lot and public counters. This should have been completed as part of project A. Mrs. Dargel noted that she had made an inquiry to the State Bureau of Construction elevator division and that it was public record that she has filed a complaint with the US Department of Justice. Mr. Becker has explained to her the available dollars, which go back to 2000. She wanted to know who was supposed to address these items, the building board, the architect or the city administration. The City does have an ADA coordinator.

COMMITTEE DISCUSSION:

In reference to Mrs. Dargel's comments, Mr. Becker asked that the wording of the May 28, 2003 meeting minutes be amended to reflect the construction budget instead of the debt service budget as written.

Mrs. Webster will note the change in the minutes.

In regard to Item 3, Mr. Becker said the debt service budget reflected the actual prior year, which only included the bond payment for the police fire facility. The estimated current year does in fact include both bond issue payments for the police/fire facility and the new city hall and motor pool additions. That is why the budget has increased substantially in the current year. In the coming year the debt service budget will reflect both of those bond issues. The bond issue for the police/fire building expires October 1, 2007. The new issue expires in 2021. For the next several years we will make payments on both bond issues until the older one expires. After the police/fire bond issue expires, we will make bond payments on the remaining amount. The bond payments are funded by the lease agreement through the City of Burton.

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In reference to Item 4, Mr. Becker spoke regarding the construction budget. He said that Mrs. Dargel has voiced her concerns on several ADA compliance issues. He said the source of funding for this building is the bond issue, which in fact the Building Authority can conduct. In addition to that, the City of Burton general fund has a subsidy that was made available to them by the Burton City Council to also fund unknown extras that came up during the construction that possibly could not have been funded through the bond issue. There is still money in the existing City of Burton capital improvement budget that has not been spent. The most recent ADA improvements have been funded by this City of Burton fund. Any additional improvements that are still pending will be funded that way. He felt the balance was still sufficient to complete what's on the list.

Mr. Becker hoped all work would be completed by June 30th. If we were not, because this is a construction budget, any unspent portion of that bond issue would be carried into the next fiscal year. There is a \$75,000 retainage for the ERA contract and we still have a couple of issues to be resolved. We are not going to pay ERA off until we are satisfied with that punch list. Mr. Lowthian felt we had enough money to resolve those issues. Mr. Becker was confident that the additional money from the City of Burton would be sufficient to handle the items that are not finished. However, this does not diminish Mrs. Dargel's concerns about a prompt completion of ADA issues. She has indicated penalties may be incurred if we don't proceed on a timely basis. From a Building Authority stand point we're in good shape with our Building Authority contract.

In reference to Item 5, Mr. Becker said BKR Dupris & Ryden audited the debt service budget. It reflects the assets, income and activities that took place for the year ending 2002. The debt service fund for the building authority still maintains a fund balance of \$1,568.00. These funds can only be spent on Building Authority issues of debt service. We continue to receive lease payments from the City of Burton as provided in our lease agreement.

The capital fund portion of the audit was the history of the activity that took place as of June 30, 2002. This reflects the \$1.8 million in bond proceeds. At that point we had only spent \$638,000 on the projects. It reflects a fund balance of \$1,168,670. That was the funding for the current year that we have utilized to get the project to its current state. Typically we only have a debt service audit, but because we have a construction phase project we also have the audit of the capital projects.

COMMITTEE ACTION:

Webster moved and Becker seconded the following motion:

1. Approve and authorize the minutes of the Regular Meeting of June 25, 2002 at 5:00 P.M.
Motion carried 4-0.

Becker moved and Carr seconded the following motion, as amended:

2. Approve and authorize the minutes of the Special Meeting of May 28, 2003 at 5:00 P.M., as amended.
Motion carried 4-0.

Becker moved and Webster seconded the following motion:

3. Approve and authorize the proposed Burton Building Authority Debt Service Budget for 2003-2004.
Motion carried 4-0.

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Becker moved and Rowland seconded the following motion:

4. Approve and authorize the proposed Burton Building Authority Construction Budget for 2003-2004.
Motion carried 4-0.

Webster moved and Becker seconded the following motion:

5. Approve and authorize the audit for 2001-2002 for the Burton Building Authority.
Motion carried 4-0.

Meeting Adjourned at 5:25 P.M.

Gayle Webster
Secretary

GW/cml