



BURTON, MICHIGAN

FINANCE COMMITTEE MEETING

SEPTEMBER 2, 2014

MINUTES

Council Chambers

Special Meeting

6:00 PM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by Chairman Vaughn Smith at 6:00 PM.

A. ROLL CALL

Attendee Name	Title	Status	Arrived
Dennis O'Keefe	Councilman	Present	
Vaughn Smith	Chairman	Present	
Tom Martinbianco	Councilman	Absent	

B. STAFF PRESENT

Paula Zelenko, Mayor
Greg Kray, DPW Director

Rik Hayman, Chief of Staff
Teresa Karsney, City Clerk

C. APPROVAL OF MINUTES

- Finance Committee - Special Meeting - Jul 22, 2014 10:00 AM

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Dennis O'Keefe, Councilman
SECONDER: Vaughn Smith, Chairman
AYES: O'Keefe, Smith

D. AUDIENCE PARTICIPATION

John Stapish of Burton thought the article in the paper was not accurate. The paper stated it was a \$7.85 increase and when he got his bill it was \$23.55.

Mr. Smith explained to Mr. Stapish that it was only a \$7.85 per month increase but the bill you received was a 3 month bill so the increase should have been \$23.55.

Rick Fuhst of Burton doesn't understand how his house of 900 square feet can use the same amount of water as house that is 3000 square feet.

E. COMMITTEE DISCUSSION ON THE FOLLOWING ITEMS:

- Discussion on water/sewer rates and the possible benefit of metered wells.

Mayor Zelenko handed out an Estimated Water/Sewer quarterly report showing households that have 2 people, 4 people and 6 people with City water and Sewer what their bill would be. Also on the report were people who are on well water and city sewer. Then again with well water that is metered and with City sewer. This report was based on usage of 90 gallons per day per person. For a resident to

purchase a meter from the City it is \$250.00 plus you have to pay someone to install it.

Mr. Kray stated that there could be a savings of \$23.29 per quarter by having a meter. The only problem is if you develop a leak you have to pay for the water that runs through the meter and if you didn't catch it right away it could cost you in the long run. You may be better off just paying the flat rate.

Mayor Zelenko stated she has talked with the Drain Commission and they are putting a chart together showing this is a pass through from the Detroit Water Department.

Mr. Smith stated he heard from 2 residents about the water increase and once he explained that it was a pass through from the Detroit Water Department the residence all understood. He would like to see us put the information on our website and run an ad in the newspaper so residents understand.

Mr. O'Keefe thought running an ad was a great idea. He felt the meters may be a good idea for a single person or if you were a snow bird.

Mr. Smith figured out that it would take you 2 ½ years to get your money back from purchasing a meter.

DRAFT

BURTON, MICHIGAN

FINANCE COMMITTEE MEETING

JULY 22, 2014

MINUTES

Council Chambers

Special Meeting

10:00 AM

4303 S. CENTER ROAD
BURTON, MI 48519

This meeting was opened by Chairman Vaughn Smith at 10:15 AM.

A. ROLL CALL

Attendee Name	Title	Status	Arrived
Dennis O'Keefe	Councilman	Present	
Danny Wells	Councilman	Late	10:13 AM
Vaughn Smith	Chairman	Present	

B. STAFF PRESENT

Rik Hayman, Executive Assistant
Ginger Burke-Miller, Controller
Doug Bingaman, Treasurer
Greg Kray, DPW Director
Lindsay Young, Clerk Typist

C. AUDIENCE PARTICIPATION

None.

D. COMMITTEE DISCUSSION ON THE FOLLOWING ITEMS.

1. Discussion on Water and Sewer Rates with possible recommendation to City Council.

Mr. Hayman said water bill arrangements are handled on an individual basis in order to help residents cope with financial hardships. However, the City does still need to collect its money. If the residents don't keep up on the arrangement their water can be turned off immediately.

Mr. Smith asked what percentage of water and sewer customers are current on their bills.

Mr. Hayman said we have roughly 12,000 customers with approximately 120 of them on a payment arrangement plan.

Mr. Smith referenced Mlive articles regarding water rate increases for Genesee County residents. He also referenced the problem in Detroit where residents who are delinquent are getting their water shut off.

Mr. Bingaman said Detroit has probably laid off many workers and do not have the staff to keep up on all the water shut offs.

Mr. O'Keefe said with only 30,000 residents we can help people and if we can be flexible, we should be. However, at some point people need to pay their water bill.

Mr. Hayman said the water bill arrangements are a joint effort between the Department of Public Works, Treasurer's Office and Mayor's Office.

Mr. Wells asked how many businesses have water bill arrangements.

Mr. Hayman said about a handful.

Mr. Smith said the County raised their rates by 12.5% and sewer rates are almost doubling. He asked if any of that money is going towards the infrastructure of the existing system.

Mr. Kray said most of it is for repairs and upgrades.

Mrs. Burke-Miller said that money was built in years ago and gets moved for repairs on those systems. She said the City of Burton is being proactive.

Mr. O'Keefe said that if we had added a couple cents to everyone's bill this whole time, they wouldn't know any difference and we wouldn't be in this mess. He asked if the City directs residents to any organization that helps with social services.

Mr. Hayman said they give residents a reference sheet that lists organizations that offer help.

Mr. O'Keefe asked Mr. Kray if the City will see relief when it switches to the new water system.

Mr. Kray said he has not been involved in talks regarding rates for the new system.



Finance Committee

4303 S. Center Road
Burton, MI 48519

SCHEDULED

AGENDA ITEM (ID # 1211)

Meeting: 09/02/14 06:00 PM

Department: Clerk's Office

Category: Discussion

Prepared By: Lindsay Young

Department Head: Teresa M. Karsney

E.A

DOC ID: 1211

Discussion on water/sewer rates and the possible benefit of metered wells.