

CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES
DECEMBER 9, 1997 11:00 A.M. COUNCIL CHAMBERS

MEETING CALLED TO ORDER BY CHAIRMAN COX AT 11:08 A.M.

MEMBERS PRESENT: C. CROSS; T. MARTINBIANCO; K. COX.

OTHERS PRESENT: J. MAJOR, DIRECTOR DPW; B.BECKER, TREASURER/CONTROLLER;
J. BROWN, CLERK'S OFFICE.

PURPOSE OF THE MEETING: Discussion and Possible Recommendations
Concerning

Spring Gardens Sub #1 Request for Water and Sewer
Funding.

PRESENTATION:

J. Major referred to Spring Gardens Subdivision #1 Estimate by Rowe Engineering and summarized its contents and said they are on the high side; after the final bids are in he feels they will be a few thousand lower. Neil Martz, consultant to Mr. Walker, explained this is a 50 acre parcel and the homes will be stick built in the \$100,000 to \$130,000 range. Each committee member had a layout of phase 1 of the proposed sub-division. He said they have gone before the Planning Commission and have received tentative plat approval.

AUDIENCE PARTICIPATION:

No one wished to speak.

COMMITTEE DISCUSSION:

C. Cross asked if the housing market was falling off since some of the auto plants are closing. N. Martz said Burton has a chance at the new plant that will be built by General Motors. People are moving up from the Detroit area and Burton will absorb some of these buyers. T.Martinbianco referred to Page 2 from Rowe Inc. on the probable cost. J. Major said at present it's about \$10,000.00 but he feels this will be fine tuned and it will be lowered when the bids come in. If the costs don't come down then the plans will be terminated. C. Cross asked what this is zoned. J. Major said R1B. Discussion on lot sizes followed. They vary in size, all are good sized lots. Chairman Cox asked B.Becker how he felt about the Sewer and Water expenses. Mr. Becker said there was no problem with the Sanitary Sewer expenses but he had a problem with the projected expense of \$10,000 per lot. He would hope the City would be held harmless if after ten years these expenses weren't recovered. He said that in the last three years the city has spent \$3,612,816 for water and sewer improvements. Chairman Cox spoke on the time limit of ten years in item #2. Discussion followed on this topic. The committee concurred it should be changed to 7 years. N. Martz said that within a year to a year and a half these 15 lots should have completed homes on them and sold. He said if the first 15 don't sell Mr. Walker will not go forward with this

project.
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Discussion on pay back on water and sewer expenses followed. The commission was more comfortable with a seven year pay back. T. Martinbianco felt that Item #2 should read "Water fund transfer to be paid in full within seven (7) years of final plat approval or financial guarantee for improvements".

Moved by Martinbianco, seconded by Cross to recommend to Council to approve the following proposed resolutions with Item #2 being changed to seven (7) years:

1. RECOMMEND THE AUTHORIZATION AND APPROVAL of the construction of an 8" public water system for Phase 1 of Spring Gardens Subdivision #1 (a single family development), Section 26, at an estimated project cost of \$57,000.00 (DPW Job #97-009-W).
2. RECOMMEND THE AUTHORIZATION AND APPROVAL of the transfer of \$57,000.00 from the 1997/98 Sanitary Sewer Unappropriated Surplus Account and/or Water Unappropriated Surplus fee, in addition to the mandatory tap-in and meter/inspection fees. (Note: A 100% payback will be received by the City through a front foot/lot fee from Phase 1 of Spring Gardens Subdivision #1 and paid back at time of sale of lot per contract with the City. Water fund transfer to be paid in full within seven (7) years of final plat approval or financial guarantee for improvements.
3. RECOMMEND THE AUTHORIZATION AND APPROVAL for the Mayor and Clerk to execute Engineer Exhibits on behalf of the City of Burton and its City Council with Rowe Engineering, Inc. for engineering services in the amount of \$4,500.00 (DPW job #97-009-W).
4. RECOMMEND THE AUTHORIZATION AND APPROVAL of the construction of an 8" public municipal sanitary sewer system for Phase 1 of Spring Gardens Subdivision #1 (a single family development), Section 26, at an estimated project cost of \$80,000.00 (DPW Job #97-002-SS).
5. RECOMMEND THE AUTHORIZATION AND APPROVAL of the transfer of \$80,000.00 from the 1997/98 Sanitary Sewer Unappropriated Surplus Account to DPW Job #97-002-SS, subject to reimbursement through the collection of a front foot/lot fee, in addition to the mandatory tap-in and meter/inspection fees.

(Note: A 100% payback will be received by the City through a front foot/lot fee from Phase 1 of Spring Gardens Subdivision #1 and paid back at time of sale of lot per contract with the City.)

6. RECOMMEND THE AUTHORIZATION AND APPROVAL for the Mayor and Clerk to execute Engineer Exhibits on behalf of the City of Burton and its City Council with Rowe Engineering, Inc. for engineering services in the amount of \$5,500.00 (DPW Job #97-002-SS).
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7. RECOMMEND THE AUTHORIZATION AND APPROVAL for the Mayor and Clerk to execute a contract on behalf of the City of Burton and its City Council with Kelly Walker of Walker Development Co., 5360 Atherton Road, Burton, MI 48519 relative to Phase 1 funding for Spring Gardens Subdivision #1 that the payment of sanitary sewer and watermain front foot fee shall be with the sale of the lot.

8. RECOMMEND THE AUTHORIZATION AND APPROVAL for the City Controller to transfer \$10,500.00 from the 1997/98 Water Division Unappropriated Surplus to the Spring Gardens Subdivision #1, Phase 1, a 14 lot subdivision, watermain service leads (DPW Job #97-009-W).
(Note: 14 lots x \$750.00 meter and service fee will generate \$10,500.00)

Motion carried 3-0.

Meeting Adjourned 12:07 P.M.

Jeanette Brown,
Clerk's Office

