CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES
NOVEMBER 9, 2000, 5:00 P.M., COUNCIL CHAMBERS

The Finance Meeting was called to order by Bob Centilli, Chairman, at 5:04 P.M.

MEMBERS PRESENT: Brawner, Centilli and Tinnin.

MEMBERS ABSENT: None.

OTHERS PRESENT: J. Major, DPW Director; R. Riess, Water/Sewer Supervisor and C. Ladd, Deputy Clerk.

PURPOSE OF THE MEETING: DISCUSSION AND POSSIBLE RECOMMENDATIONS CONCERNING THE FOLLOWING:

1. DPW Job #00-004-W/Associates Drive Public Watermain.
2. Dortch Drive Sanitary Sewer.

PRESENTATION:

Item #1 - DPW Job #00-004-W/Associates Drive Public Watermain.

Mr. Major reviewed his memo regarding the watermain for Associates Drive. He said the franchise service package would cost MMSI about $45,000.00 which would go to the City of Flint. When Mr. Riess learned about this cost, he put together a preliminary cost for the construction of an 8" watermain, using our system with the source at Columbine Avenue and then extend it across Bendle School and Waste Management properties to Associates Drive, then north to Hemphill Road. The preliminary construction estimate was about $125,000.00 for an 8" watermain, with a project cost of $165,000.00. MMSI agreed to participate with Mr. Riess' proposal to the amount of $42,000.00 maximum for construction and an additional $6,000.00 tap-in fee. MMIS has requested the use of Kraft Engineering and they will pay the engineering fee from their $42,000.00 contribution. The city has advertised for construction bids in the Michigan Contractor and Builder, a state wide publication and received bids on September 11, 2000. The low bidder was Maverick Construction, Inc. of St. Ignace, MI at $86,992.00. The as-bid project cost will be approximately $120,000.00 with MMSI contribution of $42,000.00, leaving the city share at $73,217.00.

Item #2 - Dortch Drive Sanitary Sewer.

Mr. Major said the City has tried to work on Dortch Drive sanitary sewer extension for about one year. The City Council, on April 3, 2000, approved the firm of Rowe Engineering to undertake a study of our existing sanitary sewer
system in and around Section #23, to provide service to Dortch Drive. The study has been completed, with minor revisions. Prior to asking the City Council to accept the study and authorize Rowe to begin the design of the sanitary sewer system for Dortch Drive, Mr. Tobin came in with his proposal for Phase I of the single family home sites. Dortch Drive is a private street with just a few homes on it. The Rowe study of Section #23 indicated that the Tobin development, along with Dortch Drive and various other acreage's, could go into the Genesee Road system, through the construction of a new pumping station at the east terminus of Dortch Drive. The construction of a sub-tank sanitary sewer along the Gilkey Creek would be an addition. We would need to build it now or later and the Tobin Development is ready to go now. We have spoken with Mr. Tobin and he has slowed down his project. The estimated project cost is $614,026.00 with an estimated engineering design fee of $37,700.00. We would be servicing the Tobin property and Walker Farms property.

AUDIENCE PARTICIPATION:

Item #1 - DPW Job #00-004-W/Associates Drive Public Watermain.

Leo Seide, Cooper Commercial Realty, said he is in favor of this project. He said Waste Management, who is located on Associates Drive, is planning to move their business. He said his business is badly in need of water. He said there are four or five empty buildings in this area and the water will help get new tenants in there.

Item #2 - Dortch Drive Sanitary Sewer.

There was no one who wished to speak.

COMMITTEE DISCUSSION:

Item #1 - DPW Job #00-004-W/Associates Drive Public Watermain.

Mr. Brawner asked what the cost would be to the City for the first plan.

Mr. Riess replied nothing, but that would be a 4" watermain and no fire protection other than to their parcel. Mr. Riess then presented a map to the Finance Board and explained what the benefit would be to the City.

Mr. Riess said that Burton has potential customers on Associates Drive and we will get the franchise customers from the City of Flint and make them our customers. The City of Burton will provide a more reasonable water rate. He said that Griffith Court School would also be reconnected and the City would provide them with service.

Mr. Brawner inquired whether this was discussed during the budgetary process this year.

Mr. Major said during the budget process they didn't know about the new businesses coming into the City.

A brief discussion was held concerning the front foot fees.

Mr. Riess said depending on the type of business going in, there will be fire hydrants in the area and we will be able to provide fire protection, which will make a difference on the fire insurance premiums. We will also be getting water out to Hemphill Road, which will help us in the future. There are a number of residential customers on Hemphill Road that are paying City of Flint for their water.

Mrs. Tinnin asked if the CD funds could be used for this project.

Mr. Riess replied that using the CD funds would be a borderline area.

Mr. Major said there would have to be many changes made before using the CD funds.

Mr. Riess said there is money left over in the Lapeer Heights project and we are ahead of our original funding this year, so we can use these funds if necessary.

Item #2 - Dortch Drive Sanitary Sewer.

Mrs. Tinnin asked what the cost would be to the City without the Tobin Development.

Mr. Major replied the cost would be approximately $273,000.

Mr. Riess said they plan to use a mid-size line to give expansion room in the future.

Mrs. Tinnin asked if this also included the lateral line.

Mr. Major said there would be two sewer systems in there, one that is forced and one gravity system.

Mr. Tobin stated that if the City did the sewer project, this would not affect his development. He said that 90% of the sanitary sewer on Belsay Road are in Phase I and will go in on the first 44 lots. He said he owns land around the Shell
Station and plans to build a shopping center in that area.

Mr. Major said by designing the sanitary sewer system with the pump facilities, the construction money will not be depleted.

Mrs. Tinnin asked if Mr. Tobin is developing Phase 1 or Phase 2.

Mr. Tobin said he would develop 45 lots in Phase 1 with a total of 168 lots. He said there is also a large area that is zoned for a shopping center by the Shell Station (about 60 acres).

Mr. Major stated that Mr. Tobin wants to put Phase I in the Belsay Road area.

Mr. Riess said we don't want to over-burden the Casto Pump Station because of the land.

Mr. Major noted that Mr. Tobin is paying for all infrastructures himself. He said if this is approved, this would be a winter project.

Mr. Brawner asked what would happen if the estimate is higher than predicted.

Mr. Major said they would have to come in at $614,000.00 or under or they would come back before the City Council. He noted that most of the time, the projects come in under the estimated cost.

Further discussion continued.

Mr. Major said it is the City's recommendation to blend the project as a whole because costs will go up in the future.

Mr. Riess said to repair a pump station on Davison Road, it would cost approximately $250,000.00. We must have a collection system to pick up the pump waste, which runs between $500,000.00 and $1,000,000.00.

COMMITTEE DISCUSSION ACTION:

Tinnin moved and Brawner seconded the following motion:

Approve and authorize the Committee to combine items 1 thru 4 and Items 5 thru 7 as one resolution. Motion carried 3-0.

COMMITTEE RECOMMENDATIONS:

Tinnin moved and Brawner seconded the following motions (Items 1thru 4).

1. Approve and authorize the acceptance of the low bid of Maverick Construction, Inc., 250 Ferry Lane, St. Ignace,
   MI 49781, in the amount of $86,992.00 as certified by the DPW for DPW Job #00-004-W/Associates Drive Public Watermain.

2. Approve and authorize the Mayor and City Clerk on behalf of the City of Burton and its City Council authority to execute a construction contract with Maverick Construction, Inc., 250 Ferry Lane, St. Ignace, MI 49781, in the amount of $86,992.00 with a project cost of $120,000.00 contingent upon the approval of the bonds and insurance documents by the City Attorney and City Controller, for DPW Job #00-004-W/Associates Drive Public
   Watermain.

3. Approve and authorize the City Controller to transfer $78,000.00 from the 2000-01 Water Department/ Unappropriated Surplus Account to DPW Job #00-004-W/Associates Drive Public Watermain.

4. Approve and authorize the DPW/City Controller to make payment to Kraft Engineering, Inc. for engineering services relative to DPW Job #00-004-W/Associates Drive Public Watermain pursuant to the bid tabulation/ cost estimate of September 11, 2000 estimated amount $11,025.00 for design services plus construction services if required.

Motion carried 3-0 for Items #1 thru #4.

Brawner moved and Tinnin seconded Items #5 thru #7:

5. Approve and authorize on behalf of the City of Burton the acceptance of the sanitary sewer feasibility study of July 6, 2000 for Dortch Drive and Section #23 as prepared by Rowe Engineering.

6. Approve and authorize the Mayor and City Clerk on behalf of the City of Burton and its City Council, authority to execute an engineering contract with Rowe Engineering for the design of a sanitary sewer system with pumping facilities to serve Dortch Drive, a sub-trunk along Gilkey Creek and a lateral to serve the Tobin development as an outlet, at an estimated project cost of $614,026.00, with an estimated engineering design fee of $37,700.00.

7. Approve and authorize the City Controller to transfer $40,000.00 from 2000-01 Unappropriated Surplus/ Sanitary Sewer Budget to DPW Job #00-007-SS/Dortch Drive/Section #23 Sub-Trunk/Pumping Station.

Motion carried for Items #5 thru #7.

Meeting Adjourned at 5:57 P.M.

Cheryl M. Ladd, CMC
Deputy City Clerk

CML