CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES
APRIL 1, 2013, 6:00 P.M., COUNCIL CHAMBERS
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Finance Chairman Vaughn Smith called the Meeting to order at 6:00 p.m.

MEMBERS PRESENT: O'Keefe, Smith and Heffner.

MEMBERS ABSENT: None.

OTHERS PRESENT: Mayor P. Zelenko, G. Kray, DPW Director, G. Burke-Miller, Controller, P. Wingblad, Engineer and J. Adams, City Clerk.

PURPOSE OF THE MEETING: Discussion and possible recommendations regarding the following:

1. Burton Road Repair Priorities and Funding.

PRESENTATION:

Mayor Zelenko read her letter addressing the Council from the Proposed Budget for 2013-2014.

Mr. Kray said the results of the City of Burton Citizen's survey, as well as GCMPC, concluded that the best estimate to fund all of the road repairs would be approximately $22,000,000. He explained the future road projects and the various funding mechanisms and shortfalls for each project.

Mr. Heffner asked what year the Center Rd. project was planned for.

Mr. Wingblad said they haven't figured out the years yet. They know they have $4 million for funding each year. They will do projects that add to $4 million.

Mr. Heffner said Center Rd. should have been done in 2009.

Mr. Kray said the projects we are trying to design now will need between $1.3 million and $1.5 million in local money as a match to receive the Federal funding, which will put a strain on the roadway budget.

AUDIENCE PARTICIPATION:

John Stapish, P.O. Box 190134, asked if anything was planned for a roundabout in Burton or Genesee County. He Spoke against having them and the problems they create.

Rick Fuhst, 1208 S. Genesee Rd., said if we get the railroad tracks fixed on Center Rd. and don't do anything with the road, it will be the only place in the country where you speed up to go over the tracks.

COMMITTEE DISCUSSION:

Mayor Zelenko said she hasn't heard that they will be getting a roundabout.

Mr. O'Keefe said they should pencil in which projects they have funding for and what year it may come into effect.

Mr. Kray explained which projects would be done in which year.

Mr. Heffner asked what the savings was per year for the bond that was just paid off.

Mrs. Burke-Miller replied $250,000 was the savings from the bond payoff.

Mr. Heffner asked if we would be short.

Mr. Kray replied it would present a $500,000 shortfall.

Mrs. Burke-Miller explained the budget line items in regards to roads.

Mr. Heffner asked how much is spent on patching Center Rd. each year.

Mr. Kray replied they use about 10 tons of hot-patch.

Mr. Heffner said that is a tremendous cost and they can save a lot of money by redoing the roads.

Mr. O'Keefe asked when the projects would be completed. He suggested they place another column on the report for projected completion dates.

Mayor Zelenko said they have multiple reports in front of them.

Mr. Smith asked what they paid in interest in the past.

Mr. O'Keefe said bonding is the only thing he can think of to come up with the money. He said the roads are becoming critical.

Mrs. Burke-Miller read information regarding 1998 bonds. The City paid $294,000 in 2009.

Mr. O'Keefe said in a month we will know what projects will be completed and when. They need to have the administration look for different amounts. He asked the Mayor to see what she can work into the budget for Debt Services. He said they are going to have to borrow quite a bit of money to make a difference.

Mr. Smith asked if there was any room in the budget.

Mayor Zelenko said they are still working on some ideas and bring those numbers together. She said they were not ready for a public debate on this because they don't have all of their figures ready yet. The Metropolitan Alliance doesn't meet until April to approve the funding from the County. We went ahead and proposed in the budget for the projects we have going now. She asked them what services they want to keep and what they want to bond for. We just don't have it all together yet. She is sorry they can't work fast enough.

Mr. O'Keefe said bonding is a way. He suggested they get some advice.

Mrs. Burke-Miller said the interest rate was 4.7% on the first bond issuance.

Mr. Smith said the Finance Committee would recommend finding out how much the City can bond for.

Mr. O'Keefe said it is a good idea for the residents to hear what they are trying to do.

Mr. Heffner said he would like to see numbers put together to redo Belsay and Center Roads.

Mayor Zelenko said they need to be more aggressive on the preventative maintenance of the roads. She is tired of the mindset that they will just wait until the roads get bad enough to get additional funding. It is better to do something about them now so they don't lose the roads. These last two winters have impacted the road problem because of the freezing and thawing.

Mr. O'Keefe said preventative maintenance is very important.

Mr. Smith said one of their concerns was Center Rd. and how much they can afford in reconstruction.

Mr. Heffner said the more reconstruction we have, the less maintenance we will have in the future.

Mr. O'Keefe said he would like more information on bonding.

Mr. Smith asked if there are any legal ramifications of putting together focus groups.

Mayor Zelenko said the Charter allows for the City Council to form any sort of Citizen's Committee.

The Finance Committee scheduled a Finance Meeting for May 6, 2012 at 6:00 p.m.

Meeting adjourned at 6:58 p.m.

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