

CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES
JULY 27, 1992, 6:00 P.M., COUNCIL CHAMBERS

The Finance Committee Meeting was called to order by Ted Hammon, Chairman, at 6:00 P.M.

Members Present: Cox, Hammon and Zelenko.

Members Absent: None.

Others Present: Mayor Charles H. Smiley; B. Becker, Treasurer/Controller; J. Major, DPW Director; R. Riess, Water/Sewer Supervisor; H. Throop, Street Supervisor and W. Walworth, City Clerk.

PURPOSE OF THE MEETING: Discussion and possible recommendation concerning the Water Distribution System; Private Drive Grading and Other Matters That Might Arise.

PRESENTATION:

PRIVATE DRIVE GRADING:

Howard Throop reviewed the history of private drive contracts.

WATER DISTRIBUTION SYSTEM:

Mayor Smiley said this year the City should complete the water line from Lapeer south to Atherton. He also asked the committee to look at a Genesee/Atherton extension east, as a future possible project in 1994. He said the committee should approve Mr. Sekrenes request to extend the water line west from Potter and Vassar Road to his property line, as 21 homes will be developed in the subdivision and wells should not be drilled when water is so close. The Mayor said the City must plan ahead for both industrial and residential growth.

Mr. Major said the administration recommendation was very sound and would enhance the potential growth of the City.

Mr. Becker said we were financially able to fund these projects this year and that even though funds are limited, we should look at projects each year in the range of \$200,000 to \$300,000.

Mr. Becker discussed the concept of revenue bonds that some aggressive Cities are looking at in their water system development.

He said the 1.3 million dollars in cash should be maintained to handle depreciation of the existing water lines, especially in the south end.

AUDIENCE PARTICIPATION:

PRIVATE DRIVE GRADING:

Ron Nelson, 1382 Calvin, said he appreciated the maintenance of his street by the City. He said the people on his street want the City to continue grading at a cost to the residents.

WATER DISTRIBUTION SYSTEM:

Jim Townsend, 2051 Covert, asked for an explanation of pay backs as they related to tap in fees and front foot assessments.

Chuck Sekrenes, 6060 Brookwood, asked the committee to approve his request for the water extension. He said he will pay for the front footage and the home buyer will pay the tap in fee.

Mr. Major said that the 21 new homes will generate taxes not generated now by the vacant land.

Ronald Riley, Realtor from Rochester, MI., said that the 100 acres east of the Belsay Rd. project has a potential of 600 units and he supported the water line be extended.

COMMITTEE DISCUSSION:

PRIVATE DRIVE GRADING:

Mr. Cox asked how many private roads had been serviced in the past. He was advised three. He asked how the cost was determined. Mr. Throop said that it was on a cost estimate basis up to this point, which was determined by him.

Mr. Major said the committee might want to consider creating special assessment districts for private roads.

Mr. Becker said that revenues were not enough to handle local streets now and the streets had to be supplemented from other funds.

Mr. Hammon asked about costs as they related to private roads being done on overtime.

Mrs. Zelenko asked about the procedures on creating special assessment districts for this type of work.

Mr. Hammon expressed concern on contracts developed in past administrations without Council approval. He suggested that the legislative committee look at wording of contracts before they are presented to the finance committee. He said contracts should include both grading and graveling.

Mr. Cox asked about costs of grading and graveling and Mr. Throop will give the committee a report.

Mayor Smiley said he still was not sure what direction the committee wanted to go concerning private drives and that he had instructed Howard to proceed as in the past.

He also questioned Mr. Hammon's reference to all contracts being approved by Council and did not feel that Section 11.1 of the charter applied.

Mr. Hammon said he wanted the attorney to look at the present procedures and contracts coming through Council.

WATER DISTRIBUTION SYSTEM:

Mr. Cox asked who was responsible for the water lines in the subdivision after completion. Mr. Major said after the inspection and testing that they would be taken over by the City, which would be immediately after the project was completed.

Mr. Cox asked about shared costs. Mr. Major said he was in contact with Genesee Township and hoped they would share in the cost.

Mrs. Zelenko asked about the possible Belsay Rd. development. Mayor Smiley said that an interest has been shown now for over two years.

Mr. Hammon said we must look at the business districts over the the residential and the monies that each can generate for the City. He noted that with the new water project the corner of Atherton and Belsay looks like a good spot for development.

COMMITTEE RECOMMENDATIONS:

PRIVATE DRIVE GRADING:

Moved by Zelenko, supported by Cox to ask the Council to refer private road contracts to the legislative committee, check procedures with the Attorney and continue present practices until a final determination is made. Motion carried 3-0.

WATER DISTRIBUTION SYSTEM:

Moved by Cox, supported by Zelenko to recommend approval of the Belsay Road project from Lapeer south to Atherton and the Sekrenes project request for the extension of the waterline system. Motion carried 3-0.

Meeting Adjourned at 7:20 P.M.

Respectfully Submitted,

William R. Walworth
Burton City Clerk

WRW/cml