

CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES
JULY 10, 1991, 7:00 P.M., COUNCIL CHAMBERS

This Finance Meeting was called to order by Chairman Martinbianco at 7:00 P.M.

Members Present: Abbey, Hammon and Martinbianco.

Members Absent: None.

Others Present: Mayor Jane L. Nimcheski; K. Collard, City Administrator; W. Walworth, City Clerk; J. Major, Assistant DPW Director and B. Becker, Treasurer/Controller.

PURPOSE OF THE MEETING: STATUS ON HERITAGE ESTATES; STATUS OF BRIAN CIRCLE LANE PROJECT; DPW REPORT - RUBBISH CONTRACT AND OTHER MATTERS THAT MIGHT ARISE.

PRESENTATION:

HERITAGE ESTATES:

Mr. Martinbianco said he would like the Administration to send a status report to the Council Members.

BRIAN CIRCLE LANE:

Mr. Major said the typical time schedule would be for completion next spring unless there was a fast track initiated, which would cut it to 60 days.

Mr. Becker said the project could be financed from a revolving fund or the City could float a small bond issue. He said the City would not be allowed to advance the money and then pay back from a bond issue next spring. Mr. Becker said Mr. Neimann expressed concern that the City would not set any precedents for the project.

RUBBISH CONTRACT:

Mr. Collard summarized the rubbish contract from 1973 to the present. He said the present rubbish contract was a good bargain for the City and the residents. Valley Rubbish has even gone beyond the contract in helping us in a variety of instances, such as free disposal after a serious storm. He said the Administration has gone about as far as it can in identifying customers and a point is reached where the time cost outweighs the benefits. He said the census being down is not related to the number of pickups, since households may decrease in size while households increase. He said that we have 660 additional residential units between 1980 and 1990.

He said if there was any rebate, it should be to the general fund payers, not the garbage users, since the unidentified users are supplemented from the general fund. Mr. Collard said he was satisfied that we are getting an equitable service for the dollars we are paying. We were paying 5% less than anyone else in Genesee County.

DAVISON TOWNSHIP PROJECT:

Mr. Collard asked the committee to look over a cost estimate from Davison Township for a joint project between Vassar and Potter Roads to tie into a watermain in Davison Township and pick up services on Vassar Road. He said it is a 50-50 project for the Vassar Road line and Timberwood Dr. (Less hydrants on Timberwood). The project would cost us \$60,023.70 but we would probably recoup \$42,000 from connection later on. Other revenues from hook-ups, meter/inspection fees and hydrant fees could produce a wash for the total project for Burton. It would also give us a loop from Davison in case of a break on our side. He said that Davison had already taken bids and would need an answer soon.

AUDIENCE PARTICIPATION:

BRIAN CIRCLE LANE:

Bud LeGrande, 2105 E. Buder, asked a series of questions about the project.

John Neil, 6440 Brian Circle Lane, asked about floating bonds for the project.

Mr. Collard explained the problems that might arise.

RUBBISH CONTRACT:

Bud LeGrande, 2105 E. Buder, spoke on the garbage/rubbish issue.

Jean Morgan, 1462 Merle, asked a series of questions about the rubbish contract.

Eugene Kovacs, 4528 Sunnymede, asked a series of questions about the contract and felt it was ambiguous.

Charlie Smiley, 2253 McLaren, said the quality of the service has never been in question with him and the only issue with him is paying money for more stops than have been identified.

Mark Morgan, 1462 Merle, expressed concern on the identification of users and how to assess for past use.

Jim Townsend, 2051 Covert Rd., asked a series of questions on the rubbish issue in order to be brought up to date.

DAVISON TOWNSHIP PROJECT:

None.

COMMITTEE DISCUSSION:

BRIAN CIRCLE LANE:

AX Mr. Martinbianco asked about the possible methods of assessing.

Mr. Collard said it would be more equitable to handle utilities like water and sewer on a unit basis. This could be added to the ordinance as an alternative or preferred method.

Mr. Martinbianco asked if the process could be sped up.

Mr. Becker said that if a bond is floated for just this project then it should be cut to 15 years as a 20 year issue would be hard to sell.

Mr. Abbey said that said it was difficult to get equity in any method but we should stay with the way the circulator used and look at changes for the future.

Mr. Hammon said he agreed with Mr. Abbey and asked if the petitions were circulated by the frontage method. He was advised yes.

Mr. Martinbianco asked if an individual or group could come in and bid on the project. Mr. Becker said yes.

Mr. Martinbianco said the committee could leave the project as is and sell bonds next year or ask Council to sell an early issue and expedite the project.

Mr. Martinbianco said that the Legislative Committee could look at alternative methods for the special assessment ordinance.

RUBBISH CONTRACT:

X Mr. Martinbianco said it was a big project to identify those using the service and not paying as they needed to sift thru a variety of data bases. He asked if those that have not been defined are coming out of general fund as they cause the extra costs. He was advised yes. He said the services rendered are not the per stop cost. He noted that if the contract was renegotiated, Valley Rubbish could eliminate the dumping permits, the Friday pickup and the City dumpsters and still end up with a larger cost to the City. He said we need a year to see what happens before we make any changes and it is premature to do anything now.

Mr. Abbey said we would lose if we reopened the contract and saw no alternatives worth pursuing. He said we are getting good service for the funds expended. He commended the administration on the work they had done in identifying the users. He did not want to do anything on the issue until the year is up. He said if the Council is not satisfied with the committee's position that they could refer it to the Legislative Committee.

Mr. Hammon said we have lived with the contract for 18 years without a major problem and did not see any reason to change at this point. He noted that most contracts are vague and ambiguous.

DAVISON TOWNSHIP PROJECT:

Mr. Abbey said that Davison had participated with us in the past and it would be hard to turn them down. He said we should go ahead with the project.

Mr. Hammon said we have done well with our neighbors in Davison and the project looks good with a low cost.

Mr. Martinbianco asked about our share if we participate. Mr. Becker said it would come from the water fund residual.

COMMITTEE RECOMMENDATIONS:

BRIAN CIRCLE LANE:

Moved by Hammon, supported by Abbey to recommend to Council that they approve an early bond sale or use monies from existing funds to expedite the Brian Circle project. The method used to accelerate the project is to be determined by the administration.

Motion carried 3-0.

RUBBISH CONTRACT:

Mr. Martinbianco asked the administration to put a cost estimate together of the time spent to date on identifying the other users. He also asked them to contact Mr. Gallagher to see if he can reconstruct the figures developed over the years.

Moved by Hammon, supported by Abbey to make no recommendation on the rubbish contract.

Motion carried 3-0.

DAVISON TOWNSHIP PROJECT:

Moved by Abbey, supported by Hammon to recommend to Council to enter into a cost sharing agreement with Davison Township for the construction of a watermain on Vassar Road and related areas between Davison Road and the North boundary of the Timberwood Subdivision.

Motion carried 3-0.

Meeting Adjourned at 9:40 P.M.

Respectfully Submitted,

William R. Walworth
Burton City Clerk

RW/cml