CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES
NOVEMBER 11, 1992, 7:00 P.M., POLICE/FIRE FACILITY

The Finance Meeting was called to order by Ted Hammon, Chairman, at 7:00 P.M.

Members Present: Cox, Hammon and Zelenko.

Members Absent: None.

Others Present: K. McArdle, City Administrator; J. Major, DPW Director; B. Becker, Treasurer/Controller; H. Throop, Street Supervisor and W. Walworth, City Clerk.

PURPOSE OF THE MEETING: Discussion and Possible Recommendation regarding the transfer of funds from 1992-1993 Motor Pool Contingency to Motor Pool Capital DPW Job #92-016-D; Bid of R.L. White Development, Corp.; Contract with R. L. White Development Corp. for DPW Job #92-016-D and Other Matters That Might Arise.

PRESENTATION:

Salt Storage Barn:

Mr. Major reviewed the needs of the salt storage barn facility. He said they wanted to build a facility that would last for the next 20-30 years. Mr. Major apologized for letting the time get away from them, which did not allow them to come back to the Finance Committee, before asking for Council approval.

Mr. Beal, of CHMP, explained the barn construction. The committee was also advised that there could be an additional charge of $2,150 for asphalt, as the low bidder will be closed for the winter when they get to this phase of the construction. He also said that if the concrete needs to be tarped and heated, the added cost could be as high as $6,200.

Mr. Major noted that they could live with no asphalt till next spring.

Comcast Franchise Agreement:

Mr. Becker gave a history of the comcast franchise agreement, as last amended in 1986. He said the City can go to 4% as of January 1, 1993, which will change the lease agreement to $10,000. He said he would have to check with the Attorney to see if that amount needed to be adjusted to the CPI, which would then place the amount at around $12,000. He said if we stay with the previous agreement of 3%, we would see revenues of about $99,311. He said if we go to the 4%, we would see revenues of about $108,755.

AUDIENCE PARTICIPATION:

Salt Storage Barn:

Pauline Dargel, 6119 Hugh, asked about the electricity for the barn. She was advised it would be a single service panel of 110.

Comcast Franchise Agreement:

None.

COMMITTEE DISCUSSION:

Salt Storage Barn:

Mrs. Zelenko asked about the balances in the motor pool fund.

Mr. Becker said it was $383,208 as of June 30th and that two projects in this years budget was the renovation of the motor pool and the gas storage tank, which would leave about $300,000 in the fund, if the Council approved the barn project.

Mrs. Zelenko asked about CD monies qualifying.

Mr. Becker did not know at this time.

Mrs. Zelenko asked about drainage and was advised that the downspouts to grade should take care of any runoff.

Mr. Cox expressed concern on a 100 ft opening. Mr. Throop said it gave easier access and this was standard for this type of facility. He said he would be more comfortable if the project had been brought to the committee last June.

Mr. Hammon asked what they would have done if the shed fell down or blew down in January. Mr. Throop said they would have to store outside or work something out with the County.

Mr. Cox said he would hate to bid it out again after reviewing the present bids.

Mr. Becker noted that the City was adequately insured on the other facility and did well to get $18,000 as a payoff by the insurance company.

Comcast Franchise Agreement:

Mr. Hammon noted that we need to be aware of the federal regulations and the time lines they require. He suggested that the administration watch for seminars to fully understand the federal changes.

Mr. Cox said it looked like a good agreement but raised the possible dangers of giving up the present lease amounts in favor of the 4%. He also noted that another change would occur in 1997.

Mr. Becker noted that the Ordinance needs to be amended if we go to the 4%.

Mr. Hammon said he wanted to be sure that we were still getting our fair share of revenues and said the administration needs to be sure that other municipalities have not renegotiated there agreements to something better than Burton's.

Others:

Mr. Hammon asked about the crossing at Atherton Road.

Mr. Major said C&O was working on it today. He reminded the committee that these were only repairs and we should contact Flint to have them start negotiations with the C&O to reconstruct the crossing.

Mr. Hammon asked if there was any information on Governor Engler's proposals concerning road construction and restoring of roads.

Mr. Becker said we may see some increase in restoration funds next month, but didn't know how much. He did not know about construction monies.

Mr. Major reminded the committee that we will not have matching funds for additional projects until 1994. He said he suspects it could be Belsay Road from Davison to Richfield.

COMMITTEE RECOMMENDATIONS:

Salt Storage Barn:

Moved by Cox, supported by Zelenko to recommend to Council the approval of items #8, 9 and 10 from the November 2, 1992 agenda with item #8 changed from $73,000 to $81,350., item #9 changed from $81,200 to $89,550 and item #10 changed from $90,000 to $100,000 and $81,200 to $89,550 to cover the worst case senerio. Motion carried 3-0.

Comcast Franchise Agreement:

Moved by Zelenko, supported by Cox to recommend to the Council that Ordinance 20-A(C) be amended to reflect the change from 3% to 4% in Section 18, concerning the franchise fees. Motion carried 3-0.

Meeting Adjourned at 8:05 P.M.

Respectfully Submitted,

William R. Walworth
Burton City Clerk

WRW/cml