

**MINUTES OF THE EAST JORDAN CITY COMMISSION SPECIAL MEETING  
HELD WEDNESDAY, JULY 13, 2005 AT 7:00 P.M. IN CITY HALL**

Present: Mayor Postma  
Commissioners McNitt, Bennett, Timmons, Vollbach and Klooster

Absent: Commissioner Symonds

Mayor Postma called the meeting to order at 7:03 p.m. and led the pledge of allegiance.

Postma inquired on any conflicts of interest.

No conflicts of interest were voiced.

ITEM #3 Resolution #108/2005, Resolution to Authorize Purchase of 102 Water Street

Speaker Request #1-Mike Burr questioned the Commission on the complete cost of the proposed project including the purchase, demolition of the existing building, site preparation and dredging. He questioned whether the Commission had received information regarding the costs. He felt the City should regulate the parking in the current boat launch to allow only vehicles with trailers attached. He felt the City Commission was unprepared and poorly maintains the current facilities. He stated that if the City is going to commit to the project it needs to be prepared to properly maintain the facility.

Speaker Request #2-Bonnie Thomas felt that the notice in the window was not sufficient to notify the public of the meeting and felt it should have been advertised in the newspaper.

Mayor Postma informed Ms. Thomas that the meeting was published in Wednesday's Petoskey News Review.

Ms. Thomas also stated there was no reason for tonight's meeting as she is friends with the Carey's and she was told by them over the Fourth of July that they have already received their money for the purchase.

Mayor Postma stated that the City has an accepted offer to purchase the property and that there has not yet been a closing.

Ms. Thomas stated that someone was lying and that she has been friends with Ms. Carey for years.

Speaker Request #3-Mike Stark stated that the Commission is gambling with the taxpayer's money with the hope that the project will succeed. He did not feel the City's notification of the meeting was appropriate considering the controversy regarding the purchase. He stated that the appraisal \$332,000 was useless as the property has been listed for less than that price and has not received

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attention. He noted the value of property is only what someone is willing to pay and an appraisal is just a guideline.

Mr. Stark questioned how the City would fund the monthly payments for the purchase and how long the payments can be funded.

Administrator White informed that the payments will be from the Harbor Fund.

Mr. Stark questioned how the City would fund the payments if the Harbor Fund was unable to do so.

Mayor Postma stated that the City Commission has reviewed the past budgets and income for the Harbor prior to making the decision to purchase the property. He noted that this purchase has been discussed since late 2004 with no public remarks until recently. He also noted this purchase was considered at budget time and that no one attended the public hearing for the FY 2005/2006 budget.

Mr. Stark felt the budgets were too complicated for the average person to understand.

Commissioner Bennett presented an aerial picture of the harbor and boat launch area. He stated that as a Commission they need to look at the future and work to attract businesses and opportunities to East Jordan. He noted this project is a part of the overall project to improve the boating facilities in East Jordan.

Ms. Thomas stated that as a park employee when visitors ask why they can not use the marina at the Tourist Park she will refer them to the City as she felt the City did not maintain the dock area properly. She stated she is unsure why the City let the condition deteriorate.

Commissioner McNitt felt the speakers had valid points but noted the need for upgrades to the boating facilities.

Mr. Stark stated that even if the purchase is a "good deal" you need to stay within your budget. He felt that the City should consider an outside source to negotiate real estate purchases in the future as he felt the property could have been purchased for less. He stated that in discussion with the listing agent he was informed that the property could have been purchased for less than the \$285,000.

Mr. Burr questioned who negotiated the purchase agreement for the City.

Administrator White stated that he and City Attorney Beatty negotiated on behalf of the City.

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Commissioner Timmons questioned the number of boat slips available for rent in the Harbor as she thought there seemed to be several vacant boat slips.

Administrator White stated Parks Director Cannon had recently presented him with a comparison from last year and that rentals have increased from last season.

Commissioner Klooster stated that this project is just a part of the larger overall project.

The following resolution was offered for adoption by McNitt, second by Vollbach:

**RESOLUTION #108/2005  
RESOLUTION OF THE CITY OF EAST JORDAN**

WHEREAS, it is in the City's interests to further recreational opportunities;  
and

WHEREAS, the City Administrator and City Attorney have negotiated a certain arrangement for the purchase of the property located at 102 Water Street;  
and

WHEREAS, the East Jordan Municipal Harbor Fund fund balance is able to support the down payment for the purchase of 102 Water Street;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of East Jordan that:

The arrangement is approved and the City Administrator and the City Clerk are hereby authorized to execute any and all documents to effect the anticipated transaction, including but not limited to the Purchase Agreement, Closing Statements, Deeds, and any other documents required to effect the transaction contemplated in said Agreement, on behalf of the City and to authorize the use of the available Harbor Fund fund balance for needed down payment.

ROLL CALL VOTE:

AYES: MCNITT, BENNETT, TIMMONS, VOLLBACH, KLOOSTER AND  
POSTMA

NAYS: NONE

ABSENT: SYMONDS

RESOLUTION DECLARED ADOPTED JULY 13, 2005.

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Mayor Postma adjourned the meeting at 7:45 p.m.

Respectfully,

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Mark Postma, Mayor

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Lori M. Campbell, City Clerk