

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

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

Absent: Commissioner Vollbach

Mayor Postma called the meeting to order at 7:33 p.m. and led the pledge of allegiance.

ITEM #3 Inquiry of Conflicts of Interest

Commissioner Timmons stated that she had a conflict of interest with Item #10.

**CONSENT AGENDA**

Commissioner Timmons asked that Item #10 be removed from the Consent Agenda. The remainder of the Consent Agenda was approved as follows:

Motion offered by McNitt, second by Symonds, to approve the minutes of the Special Commission meeting dated March 15, 2006 RE: Budget Discussion, as submitted.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

Motion offered by McNitt, second by Symonds, to approve the minutes of the Special Commission meeting dated March 27, 2006 RE: Budget Discussion, as submitted.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

Motion offered by McNitt, second by Symonds, to approve the minutes of the Public Hearing dated March 28, 2006 RE: Delinquent Bills, as submitted.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

Motion offered by McNitt, second by Symonds, to approve the minutes of the Regular Commission meeting dated March 28, 2006, as submitted.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

Motion offered by McNitt, second by Symonds, to acknowledge receipt of the Paid Bill List dated March 30, 2006, totaling \$143,433.78.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

Motion offered by McNitt, second by Symonds, to acknowledge receipt of the Funds on Hand Report, March 2006.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

Motion offered by McNitt, second by Symonds, to acknowledge receipt of the Zoning Activity Report, March 2006.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

Motion offered by McNitt, second by Symonds, to acknowledge receipt of the Police Department Monthly Report, March 2006.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

Motion offered by McNitt, second by Symonds, to acknowledge receipt of minutes from the following Boards and Commissions:

- A. DDA, February 6, 2006
- B. DDA, March 6, 2006
- C. Charter Review, March 9, 2006
- D. Public Hearing RE: Recreation Plan, March 21, 2006
- E. Charter Review, March 23, 2006
- F. Planning Commission Public Hearing, March 23, 2006
- G. Planning Commission, March 23, 2006
- H. Election Commission, March 28, 2006
- I. Housing Commission, March 14, 2006

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

Motion offered by McNitt, second by Symonds, to approve the Elm Pointe rental request from Therese M. McShane for use on September 23, 2006.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

ITEM #10 Acknowledge Receipt of the Paid Bill List dated April 12, 2006, totaling \$251,008.58

Motion offered by Symonds, second by Klooster, to acknowledge receipt of the Paid Bill List dated April 12, 2006, totaling \$251,008.58.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

MOTION CARRIED  
BY ROLL CALL VOTE  
AYES: SYMONDS, MCNITT, BENNETT, KLOOSTER AND POSTMA  
NAYS: NONE  
ABSTAIN: TIMMONS  
ABSENT: VOLLBACH

**REGULAR AGENDA**

**ITEM #16 Presentation of Commendation to Hunter Sarasin**

Mayor Postma presented Hunter Sarasin with a commendation from the City Commission for his brave efforts in assisting his neighbor Tom Breakey.

**ITEM #17 Acknowledge Receipt of an Introduction to Ordinance #199, Ordinance to Amend Chapter 11, Article IV. Open Burning of the City of East Jordan Code of Ordinances**

Motion offered by Bennett, second by Symonds, to table the introduction to Ordinance #199 until a representative of the Fire Department can be in attendance.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

**ITEM #18 Acknowledge Receipt of an Introduction to Ordinance #200, Fiscal Year 2006/2007 Budget**

Motion offered by McNitt, second by Symonds, to acknowledge receipt of an Introduction to Ordinance #200, Fiscal Year 2006/2007 Budget.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

**ITEM #19 Capital Consultants, Engineering Amendment**

Administrator White recommended to the Commission that the existing water main be replaced on Division Street during the street project. He noted this would increase the engineering cost by \$3,800 and the cost of the water main upgrade/replacement would be approximately \$110,000.

Motion offered by Symonds, second by McNitt, to approve the engineering agreement amendment for Division Street to increase the cost by \$3,800 with Capital Consultants, Design Works for the engineering of the water main replacement.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

Commissioner Bennett wanted to be sure that the City DPW would be submitting a bid for the water main replacement.

ITEM #20 Resolution #107/2006, Resolution Authorizing Installment Purchase Agreement for Fire Truck

RESOLUTION #107/2006  
RESOLUTION AUTHORIZING INSTALLMENT PURCHASE AGREEMENT  
FOR FIRE TRUCK

CITY OF EAST JORDAN  
COUNTY OF CHARLEVOIX, STATE OF MICHIGAN

Minutes of a regular meeting of the City Commission of the City of East Jordan, County of Charlevoix, State of Michigan, held in said City on the 18th day of April, 2006, at 7:33 o'clock p.m., Eastern Daylight Time.

PRESENT: Mayor Postma, Commissioners Symonds, McNitt, Bennett, Timmons and Klooster

ABSENT: Commissioner Vollbach

The following preamble and resolution were offered by Commissioner Klooster and supported by Commissioner Symonds.

WHEREAS, an Installment Purchase Agreement (the "Agreement") between the City of East Jordan (the "City"), Sutphen Corporation of Amlin, Ohio (the "Vendor"), and Charlevoix State Bank of East Jordan, Michigan (the "Assignee"), for the purchase and delivery of a fire truck (the "Equipment") has been prepared; and

WHEREAS, the City shall purchase the Equipment for a purchase price of \$234,446 of which the City will pay \$20,000 from funds on hand, and will finance \$214,446 (the "Financed Portion") through execution of the Agreement; and

WHEREAS, the outstanding balance of all purchases by the City under Act 99, exclusive of interest, shall not exceed one and one quarter percent (1-1/4%) of the taxable value of the real and personal property in the City at the date of such contract or agreement; and

WHEREAS, purchase of the Equipment pursuant to the Agreement will not result in the outstanding balance of all such purchases in excess of the limitation contained within Act 99 as set forth above; and

WHEREAS, pursuant to the Agreement, the Purchase Price will be paid by the City in thirteen (13) annual installment payments of principal and interest due August 3

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

of each year, commencing August 3, 2006, through August 3, 2018, inclusive, with interest payable at a rate equal to 4.40% per annum; and

WHEREAS, the Agreement is to be assigned to the Assignee; and

WHEREAS, it is necessary to approve the Agreement and authorize the Mayor and City Clerk to execute the Agreement and authorize City officials to execute certain other documentation relative thereto.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Agreement is hereby approved substantially in the form attached hereto at Exhibit A. The City shall incur the debt described in the Agreement through execution of the Agreement by the officers authorized below which debt shall consist of the Financed Portion of \$214,446 which shall be payable in thirteen (13) annual installment payments of principal and interest due August 3 of each year with the first payment of principal and interest due August 3, 2006, through and including August 3, 2018, at a rate of interest equal to 4.40% per annum.

2. The Mayor and City Clerk are hereby authorized and directed to execute the Agreement and deliver it to Vendor, substantially in the form attached hereto with such additions, changes and modifications as shall be approved by the City's Bond Counsel.

3. The useful life of the Equipment is hereby determined to be not less than thirteen (13) years.

4. The Mayor, City Clerk and City Treasurer are each hereby directed and authorized to execute such additional documentation and open such accounts as shall be necessary to effectuate the closing of the Agreement and the assignment thereof.

5. The assignment of the Agreement by Vendor to the Assignee is hereby approved.

6. The City hereby agrees to include in its budget for each year commencing with the current fiscal year, a sum which will be sufficient to pay the principal of and interest on the Agreement coming due before the next fiscal year. In addition, the City hereby pledges to levy ad valorem taxes on all taxable property in the City each year in an amount necessary to make its debt service payments under the Agreement, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The City hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exemption of the interest on the obligations under the Agreement from general federal income taxation (as opposed to alternative minimum or other indirect taxation) under the Internal Revenue Code of 1986, as amended, including but not limited to, actions relating to the rebate of arbitrage

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

earnings, if applicable, and the expenditure and investment of proceeds of the Agreement and moneys deemed to be proceeds.

8. The City hereby declares that its obligations under the Agreement shall be designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of the Internal Revenue Code of 1986, as amended.

9. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

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

ABSTAIN: NONE

NAYS: NONE

ABSENT: VOLLBACH

RESOLUTION DECLARED ADOPTED APRIL 18, 2006.

ITEM #21 Jordan River Sportsman's Club, Civic Center use request

Motion offered by Symonds, second by Klooster, to approve the Jordan River Sportsman's Club's request for use of the Civic Center and to waive the rental fee.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

ITEM #22 DDA Update

Mayor Postma informed the Commission that the DDA discussed the upcoming M32 project and the proposed motel project.

ITEM #23 Administrator's Report

ADMINISTRATOR'S REPORT  
APRIL 18, 2006

1. As part of the proposed budget a modified spring clean-up was proposed. During our many budget discussions the idea of funding a spring clean-up was received positively by the Commission. I have directed staff to contact Waste Management to see what dates are available for a three site pickup with residents bringing the material to the drop off sites. I am suggesting one pick up load per household for all city residents both property owners and renters. To use the spring clean up residents would need to get from City

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

Hall a ticket after showing proof of residence. If any Commissioner has any suggestions or questions about what is suggested please let me know.

2. Upon my return from vacation I was informed that the existing dredge permit for the boat launch is valid. The removal of sand from the launch is being scheduled and will be taking place soon. The larger dredge permit is still working its way through the many federal and state agencies at this time I have nothing new to report on its status. Work on the main harbor pier to lower the 60 foot slips and repair the boards and pilings is scheduled to be done in mid-May by Lyons Construction.
3. On April 12, Butch, Rod Benson and I attended a pre-construction meeting on the M32 project. The pre-construction meeting coordinated the utility work which must be completed before the project starts on July 10. Consumers will be removing and relocating power poles, DTE will be upgrading the gas main and services. Telephone and cable will also be upgrading and moving lines and services. The City presented our concerns regarding access to our downtown and businesses during construction as well as keeping everybody informed as the project progresses. MDOT stated they will be scheduling an Open House on the project sometime in late May or early June. As always as I get information on this project I will provide it to the City Commission.
4. On April 13 Red Development will be in East Jordan to discuss plans for the property they have under purchase agreement. I will provide the Commission with an update of that meeting. Other issues to report on are: Bids will be open on April 12 for the surplus equipment at the 4-Corner Market. I have not heard anything back on our industrial park lot sale offer to Phoenix Trailer but they have told me this is their very busy time. I have also not heard back from the State of Michigan on an agreement for an FBO at the airport. I have conveyed that to Mr. Bentley. As these projects move forward I will keep the Commission informed.

Administrator White informed the Commission that he has asked staff to move forward with a Spring Clean-up program and asked the Commission for direction on whether they would like to proceed.

Consensus of the Commission was to proceed with a clean-up utilizing drop off locations in early June.

Administrator White informed the Commission that the City received very few bids for the surplus equipment at 102 Water Street and presented them with a recommendation from the Parks Director regarding awards. (copy attached and made a part of these original minutes)

Motion offered by Bennett, second by Symonds, to award the following bids for surplus equipment:

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

1. Marty Carey, Walk in freezer \$75
2. Marty Carey, Chicken pan \$5
3. Glen Thorman, Meat Saw \$75
4. Ginny Carey, Wood Shelf \$2
5. Lori Campbell, Ironing Board \$10

to reject the following bids:

1. Marty Carey, Superior Peeling Machine \$5
2. Marty Carey, Double Stainless Steel Sink \$10

and to declare the remaining equipment as surplus and have the Parks Director distribute fliers and sell the remaining equipment for the best offer.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

White also presented the Commission with a memo from the EMS Director regarding the purchase of a LifePak defibrillator prior to April 30 to receive a discount. (copy attached and made a part of these original minutes)

Motion offered by Symonds, second by McNitt, to authorize the purchase of a LifePak 12 defibrillator at a cost of \$26,090 with a trade in and discount of \$10,550 and shipping of \$44.21 for a total unit cost of \$15,584.21.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

White informed the Commission that a DPW employee is near retirement and will retire early with the condition that the City will pay health insurance premiums for he and his wife for the next 14 months. He noted that the position would not be replaced and the estimated cost is \$15,000. If the Commission approves the idea the City Attorney and City Administrator will work with the union to complete an agreement between the City and the employee.

Commissioner Klooster questioned the total savings to the City.

White stated that the City would no longer have to pay salary, Social Security, life insurance or worker's compensation for an approximate savings of \$59,000.

Motion offered by Symonds, second by McNitt, to authorize the City Administrator and City Attorney to proceed with negotiations for a separation agreement between the City and Carl Gee.

MOTION CARRIED ALL AYES

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

BY ROLL CALL VOTE

ITEM #24 Mayor's Report

No items to report.

ITEM #25 Attorney's Report

Attorney Beatty updated the Commission on the proposed property exchange between the City, school and library. He stated that he has talked with the school and library boards regarding the deeds and he has not heard concerns from them. It was his recommendation that the Commission proceed with the purchase agreement.

Motion offered by McNitt, second by Klooster, to authorize the City Administrator, Mayor or City Clerk to sign the appropriate documents to purchase two parcels from East Jordan Public Schools for \$1 and sweeping of the school parking lots for two years and to exchange the properties with the Jordan Valley District Library for the Carnegie Building at 301 Main Street.

MOTION CARRIED ALL AYES  
BY ROLL CALL VOTE

ITEM #26 Commissioners

Commissioner McNitt asked when the restrooms would be open at the Tourist Park and whether portable toilets would be placed there until they are open.

McNitt also informed the Commission that Darren Podskalny has received a great response to the Vintage Boat Show.

McNitt also thanked Administrator White for the updates in his written report to the Commission.

Commissioner Bennett stated that the new Transfer Station hours seem to be working well with Iron Works employees.

Commissioner Timmons asked where the schooling report was for Jim Jordan and Jay Peck of the EMS Department.

Timmons also asked that city employees in city vehicles be asked not to park in the spaces outside of City Hall on Main and Esterly Streets.

Commissioner Klooster informed the Commission that three area churches are very interested in utilizing the building at 102 Water Street for a Teen Center.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD  
TUESDAY, APRIL 18, 2006 AT 7:33 P.M. IN CITY HALL**

Commission will present a list of available buildings and their amenities to the churches for their consideration.

ITEM #27 Speaker Requests

No speaker request slips were received.

ITEM #28 Budget Discussion

Commission budgeted a \$30,000 transfer from the Water Fund to the General Fund to begin repayment of the \$222,500 loan.

Commission discussed various options for an additional parks truck including purchasing a used truck from the DPW.

Commission will discuss the truck purchase for the Parks Department at the next meeting.

Administrator White will be issuing a memo to the Commission regarding his discussion with the DPW Superintendent and the Parks Director and the proposed purchase of the truck from the Equipment Fund.

Mayor Postma adjourned the meeting at 8:39 p.m.

Respectfully,

---

Mark Postma  
Mayor

---

Lori M. Campbell, CMC  
City Clerk