

**MINUTES OF THE EAST JORDAN CITY COMMISSION SPECIAL MEETING
HELD TUESDAY, AUGUST 27, 2007 AT 7:30 P.M. IN CITY HALL RE:**

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

Absent: None

Mayor Postma called the meeting to order at 7:30 p.m. and led the pledge of allegiance.

ITEM #3 Inquiry of Conflicts of Interest

No conflicts of interest were voiced.

ITEM #4 Resolution #122/2007 Resolution Submitting Bond Proposal to be placed on the November 6, 2007 General Election Ballot

Commissioner McNitt clarified with Mayor Postma and Administrator White that placing this issue on the ballot would allow the citizens to vote on issuing a bond for the refinancing of the 102 Water Street property.

Mayor Postma stated yes.

McNitt also clarified the bond issue was proposed to refinance the current land contract for 102 Water Street and lower the interest rate from 8% to 4% which would save the Municipal Harbor Fund over \$41,000. If the proposal does not pass the City will continue to pay on the current land contract at 8% and if the proposal passes the land contract will be refinanced at 4% as a bond. The Municipal Harbor Fund currently makes the land contract payments and if the bond issue passes the payments will still be made by the Municipal Harbor Fund. He noted that regardless of the outcome of the bond proposal the debt will still need to be paid.

Postma stated he had spoken with some of the citizens who had signed the petition and they were not told this was a refinance; they were told that it would be an increase on their tax bill.

Postma stated the petitions were misleading and very deceitful.

Commissioner Symonds questioned the first paragraph of the bond resolution and asked if that paragraph should be reworded to reflect the \$41,000 savings.

Postma stated the petition signers he had spoken with had no idea the bond issue was a refinance.

Postma also stated this bond proposal could not be placed as a millage increase on the taxes unless there was a vote to do so by the people.

**MINUTES OF THE EAST JORDAN CITY COMMISSION SPECIAL MEETING
HELD TUESDAY, AUGUST 27, 2007 AT 7:30 P.M. IN CITY HALL RE:**

Postma felt the Commissioners should inform the community of the correct information and the true facts for this bond proposal.

Symonds stated he would like an article to be published in the newspaper bi-weekly, in a question and answer format with the correct information.

Commissioner Klooster felt the motion should include wording requiring a newspaper article with the correct information published bi-weekly.

Symonds questioned why Commissioner Timmons signed the petition.

Commissioner Timmons stated she was asked to give the citizens a chance to vote on the issue and felt she could not speak for the other citizens who signed the petition.

Postma stated all of the citizens who circulated the petitions were contacted and invited to attend tonight's meeting to better understand the issue and for the Commission to get a better understanding of why they felt they needed to sign and circulate the petition.

Consensus of the Commission was that correct information needs to be communicated to the public by the City Commission.

Resolution #122-2007
City of East Jordan
County of Charlevoix, Michigan

RESOLUTION SUBMITTING BOND PROPOSAL

Minutes of a special meeting of the City Commission of the City of East Jordan, County of Charlevoix, Michigan, held in the City Hall on Monday, the 27th day of August, 2007, at 7:30 o'clock p.m., Eastern Daylight Time.

PRESENT: Members Symonds, McNitt, Bennett, Timmons, Vollbach, Klooster
and Postma

ABSENT: None

The following preamble and resolution were offered by Member McNitt and supported by Member Symonds:

WHEREAS, the City Commission has determined that the City should sell general obligation capital improvement bonds, pursuant to Act 34, Public Acts of

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HELD TUESDAY, AUGUST 27, 2007 AT 7:30 P.M. IN CITY HALL RE:**

Michigan, 2001, as amended (“Act 34”), in an amount not to exceed Two Hundred Fifty Thousand Dollars (\$250,000) (the “Bonds”) for the purpose of paying all or part of the cost of acquiring property to be used to expand and improve the City’s existing boat launch facilities including demolition, related site improvements, appurtenances and attachments thereto (the “Project”); and

WHEREAS, the City Clerk directed the publication of a notice of intent to issue the Bonds in the *Petoskey News-Review*, a newspaper of general circulation in the City, on July 13, 2007 (the “Notice of Intent”); and

WHEREAS, the Notice of Intent was in due form and the manner of the publication of the Notice of Intent was the method best calculated to give notice to the City’s taxpayers and electors of the City Commission’s intent to issue the Bonds, the purpose of the Bonds, the security for the Bonds, and the right of referendum relating thereto; and

WHEREAS, a petition requesting a vote of the electors on the issuance of the Bonds signed by not less than 10% of the registered electors of the City was filed with the City Clerk within forty-five (45) days after the publication of the Notice of Intent; and

WHEREAS, the Bonds may not be issued without an approving vote of a majority of the qualified electors of the City voting thereon; and

WHEREAS, it is necessary to submit the proposed issuance of the Bonds to the qualified electors of the City for a vote.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The following proposition shall be submitted to a vote of the qualified electors of the City of East Jordan, County of Charlevoix, Michigan, at the General Election to be held on TUESDAY, NOVEMBER 6, 2007:

HARBOR MARINA BOND PROPOSAL

Shall the City of East Jordan, Charlevoix County, Michigan, borrow the principal sum of not to exceed Two Hundred Fifty Thousand Dollars (\$250,000) and issue its general obligation limited tax bonds in one or more series, payable over a period not to exceed fifteen (15) years from date of issuance, to be used by the City for the purpose of paying the cost of acquiring property to be used to expand and improve the City’s existing boat launch facilities including demolition, related site improvements, appurtenances and attachments thereto? The source of revenue intended to retire the bonds shall consist of revenues from the City’s Harbor Marina Fund.

2. The City Clerk is directed to publish notice of last day of registration and of the election as required by law and take all other necessary actions to conduct the special election. If deemed advisable by the City Clerk, the

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City Clerk is authorized to enter into one or more agreements to jointly publish the notices.

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

AYES: Members Symonds, McNitt, Bennett, Timmons, Vollbach, Klooster
and Postma

NAYS: None

RESOLUTION DECLARED ADOPTED.

ITEM #20 Speaker Requests

Speaker Request #1- Harry Watson

Mr. Watson informed the Commission that he had spent a lot of time surveying people regarding the bond proposal and no one he had spoken with understood the petition.

Watson felt the Commission needed to take hold of this situation and get it taken care of. He also felt the bond proposal was being created for a personal gain.

Mayor Postma adjourned the meeting at 7:53 p.m.

Respectfully,

Mark Postma
Mayor

Cheltzi M. Wilson
Deputy Clerk