

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, DECEMBER 18, 2007 AT 7:30 P.M. IN CITY HALL**

Present: Mayor Bennett
Commissioners Symonds, Fisher, Timmons, Klooster, Moes and Postma

Absent: None

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

ITEM #3 Inquiry of Conflicts of Interest

Mayor Bennett informed the Commission that he had a conflict of interest regarding the resolution forming and Industrial Development District as he is employed in a management position at the East Jordan Iron Works.

No additional conflicts of interest were voiced.

CONSENT AGENDA

Commissioner Moes asked that Item #6 be removed from the consent agenda for discussion.

The remainder of the Consent Agenda was approved as follows:

Motion offered by Postma, second by Symonds, to approve the minutes of the Regular Commission meeting dated December 4, 2007, as submitted.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Postma, second by Symonds, to acknowledge receipt of the Funds on Hand Report, November 2007.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Postma, second by Symonds, to acknowledge receipt of the following minutes:

- A. Housing Commission, November 13, 2007

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Postma, second by Symonds, to acknowledge receipt of the Annual EMS run report, 2006.

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MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Postma, second by Symonds, to acknowledge receipt of the Monthly Police Department Report, November 2007.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Postma, second by Symonds, to acknowledge receipt of the Monthly Zoning Activity Report, November 2007.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

ITEM #6 Acknowledge Receipt of the Paid Bill List dated December 13, 2007, totaling \$257,951.74

Commissioner Moes questioned the expense from the Administrator budget to Café Casa.

Administrator White stated items were purchased for the grant presentation from the State.

Moes asked the length of the contract with Cleaner One.

White stated they are month to month.

Moes also questioned the expense to Positive Promotions from the Fire Department budget.

Treasurer Moreau stated the Fire Department usually purchases items for Fire Prevention from this company.

Moes questioned payment to Sam's Equipment and asked if this was Sam's Club.

Moreau stated it is a vendor used by the Fire Department and it is not Sam's Club.

Moes asked who the vendor KSS was.

Moreau stated it is the vendor the City purchases cleaning supplies from.

Moes questioned the expense to Jordan Valley Floral of \$1,400.

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Commissioner Postma stated this was the expense for placing the Christmas lights in the trees on Main Street.

Administrator White stated a donation was received to cover this expense.

Motion offered by Postma, second by Symonds, to acknowledge receipt of the Paid Bill List dated December 13, 2007, totaling \$257,951.74.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

ITEM #12 Appointments Committee

Commissioner Symonds reviewed the recommendations from the Appointments Committee for reappointments and appointments to the city's boards and commissions.

Motion offered by Postma, second by Fisher, to confirm the Mayor's appointment of Jerry Hepner to the vacancy on the DDA Board.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Postma, second by Symonds, to appoint or reappoint the following persons to the Board and Commissions:

HOUSING COMMISSION 5 Year Term
Ruth Sheridan
Cindy Penzien

PLANNING COMMISSION 3 Year Term
John Doebel
Shandra Sweet-Hock

DDA BOARD 4 Year Term
Mark Penzien

BROWNFIELD REDEVELOPMENT 3 Year Term
Chip Hansen

BOARD OF APPEALS 3 Year Term
Amy Sherman

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

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ITEM #13 Resolution 131-2007, Resolution to Establish an Industrial
Development District (IDD)

**Resolution 131-2007
Resolution to Establish an Industrial Development District (IDD)**

Minutes of a regular meeting of the East Jordan City Commission held on
December 18, 2007, at the East Jordan City Hall, East Jordan, Michigan.

PRESENT: Symonds, Fisher, Timmons, Klooster, Moes, Postma and Bennett
ABSENT: None

The following preamble and resolution were offered by Commissioner Postma
and supported by Commissioner Symonds:

Resolution Establishing an Industrial Development District

WHEREAS, pursuant to Act No. 198 f 1974, as amended, the East
Jordan City Council has the authority to establish "Industrial Development
Districts" within the City of East Jordan; and

WHEREAS, the City wants to establish an Industrial Development
District on property located in the City of East Jordan hereinafter described; and

WHEREAS, construction acquisitions, alterations or installation of a
proposed facility has not commenced at the time of filing the request to establish
this district; and

WHEREAS, written notice has been given by mail to all owners of real
property located within the district, and to the public by newspaper advertisement
in the *Citizen Journal* and/or public posting of the hearing on the establishment of
the proposed district; and

WHEREAS, a public hearing was held on December 18, 2007, at which all
of the owners of real property within the proposed Industrial Development District
and all residents and tax payers of the City of East Jordan were afforded an
opportunity to be heard thereon; and

WHEREAS, the East Jordan City Council deems it to be in the public
interest of the City of East Jordan to establish the Industrial Development District as
proposed;

NOW THEREFORE BE IT RESOLVED by the East Jordan City Council that the
following described parcel of land situated in the City of East Jordan, Charlevoix
County, and the State of Michigan, to wit:

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Parcel Number 053-014-012-00

DDA COM AT A PT ON S LI OF SEC 14 T32N R7W 216FT W OF SE COR OF GOV LOT 3 SEC 14 N 40 RDS W TO SH OF S ARM OF LK CHX TH SE-LY AL SH OF SD LK TO SD SEC LI TH E TO POB PT GOVT LOT 3 SEC 14 T32N R7W ALSO EX:COM 629.15FT W OF 1/4 COR COMM TO SEC 14 & 23-32-7 TH N 113FT TH W 605.15FT TOSH OF SD LK TH SLY AL SH TO SD SEC LI THE ON SD SEC LI TO POB ALSO EX R/W LYING E OF ABOVE DESC PROP PT GOVT LOT 3 SEC 14 T32N R7W

Parcel Number 053-014-013-00

DDA COM AT A PT 629.15 FT W OF 1/4 COR COMM TO SEC 14 & 23 T32N R7W TH N 114 FT TH W 605.15 FT TO IR ST ON SH LK CHX TH SLY AL SD SH TO SEC LI TH E ON SD SEC LI TO POB ALSO COM AT A PT 629.15 FT W OF 1/4 COR COMM TO SEC 14 & 23 TH S 200 FT TH W 300 FT TO IR ST ON SH OF LK CHX TH NLY AL SD SH TO SD SEC LI TH E ON SEC LI TO POB PT OF GOV LOT 1 SEC 23-32-7

Parcel Number 053-014-014-00

DDA COM AT IR ST ON W LI OF GOV LOT 1 SEC 14T32N R7W 383.05FT S OF NW COR OF SD LOT TH N45DEG E 330FT TO IR ST TH S45DEG 50 FT TO IR ST TH N45DEG E 34.75FT TO IR STTH S60DEG20'E 104.2FT TO IR ST TH S19DEGDEG43'E 772.05 FT TO IR ST TH S43DEG38'E1268.9FT TO IR ST FOR POB TH NELY 124.3 FT TO IR ST ON SWLY LI OF SHAW AVE,PLAT OF ORCHARD HGTS,WHICH CRSE IF EXT INTERSSWLY LI OF LOT 12 SD PLAT.45FT SELY OF WMOST COR OF SD LOT TH SELY AL SD SHAW AVE LI TO IR ST AT INTER OF S LI MATTHEWST SD PLAT TH DUE W PARA WI S1/8 LI TO SH LK CX TH NWLY AL SD SH LI TO PT S58 DEG45'W OF POB TH NELY TO POB BEING PT OF GOV LOT 2 SEC 14-32-7

Parcel Number 053-014-028-00

COM 33FT W OF SE COR GOV LOT 3 SEC 14 T32N R7W TH N 153FT TH W 150FT TH N 180 FT TH W 33FT TH S 333FT TH E 183FT TO POB SEC 14-33-7

Parcel Number 053-014-052-00

DDA COM AT AN IR ST ON W LI OF GOV LOT 1 SEC14 T32N R7W 383.05FT S OF NW COR SD LOT 1 TH N45DEG E 330FT TO IR ST TH S45DEG E50FT TO IR ST TH N45DEG E 34.75FT TO IR ST TH S60DEG20'E 104.2FT TO IR ST TH S19DEG43'E 772.05FT TO IR ST FOR POB TH S43 DEG38'E 500FT TH S60DEG20'W TO SH OF LK CX TH NWLY AL SD SH TO A PT WHICH IS S60DEG20'W OF POB TH N60DEG20'E TO POB BE- ING PT OF GOV LOTS 1&2 SEC 14-32-7

Parcel Number 053-014-060-00

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DDA COM AT IR ST ON W LI OF GOV LOT 1 SEC 14T32N R7W 383.05FT S OF NW COR SD LOT 1 TH N45DEG E 330FT TO IR ST TH S45DEG E 50FT TO IR ST TH N45DEG E 34.75FT TO IR ST TH S60DEG20'E 104.2FT TO IR ST TH S19DEG43'E 772.05FT TH S43DEG38'E 500FT FOR POB TH CONT S43DEG38'E 768.9FT TO IR ST TH S58DEG45'W TO SH LK CX TH NWLY AL SD SH TO PT WHICH IS S60DEG20'W OF POB TH N60DEG20'E TO POB BEING PT OF GOV LOT 1&2 SEC 14-32-7

Parcel Number 053-023-016-10

DDA 93SP 0992 FROM 023-016-00 BEG 33 FT W OF N1/4 COR SEC 23 T32N R7W TH S 33 FT TH E 66 FT TH S 400 FT TH E 360 FT TO W LI OF PROJECTED ALLEY TH SLYAL SD ALLEY 297 FT TH W 42 FT TH S 70 FT TH W TO WLY LI OF ALLEY ADJ TO LOTS 1-7 BLK 22 NICHOLS 3RD ADD TH S TO SE COR LOT 8 BLK 22 NICHOLLS 3RD ADD TH W TO A PT ON S LI LOT 9 BLK 22 WHERE IT INTER WI WLY LI GARFIELD ST TH S TO NE COR LOT 6 BLK 13 NICHOLLS ADD TH ELY AL S LI GARFIELD TO WLY LI MAIN ST TH SLY AL MAIN ST 198.3 FT TH W 47 FT TH SLY PARA WI MAIN ST 50 FT TO N LI LOT 2 BLK 12 SDADD TH W TO NW COR SD LOT 2 TH N 4 FT TH W 82.5 FT TH S TO SE COR LOT 1 BLK 13 SDADD TH W TO SH LK CHX TH NWLY AL SD SH TO A PT 200 FT S OF N LI SEC 23 MEAS PERP TO N LI TH E 300 FT TH N 200 FT TO N LI SD SEC TH E 629.15 FT TO POB EX: COM AT NE COR OF BLK 3 OF SOUTH LAKE TH AL N LI OF SD BLK S89DEG33'34"W (RECD AS W) 485.82 FT TH CONT SD N BLK S89DEG33' 34"W (RECD AS W) 7.61 FT TH N14DEG59'00"W 68.18 FT TO N LI OF VILL OF SOUTH LAKETH CONT N14DEG59'00"W 498.57 FT TH S76 DEG07'00"W 48.62 FT BEING POB TH S13DEG 53'00"E 9.5 FT TH S76DEG07'00"W 34 FT TH N13DEG53'00"W 39 FT TH N76DEG07'00"E 34 FT TH S13DEG35'00"E 29.5 FT TO POB ALSO THAT PT OF VACATED SPRING ST AS FOLL: BEG AT SE COR OF LOT 1 BLK 13 NICHOLLS SECOND ADD TO VILL OF SOUTH LAKE (NOW CITY OF EJ) AS RECD RD CHX CTY TH N AL ELI OF SD LOT 124FT TH E PARA WI N LI OF WILLIAM ST 33FT TH S PARA WI E LI OF SD LOT 124FT TO N LI OF WILLIAM ST TH AL N LI OF WILLIAM ST 33FT TO POB BEING PT OF SPRING ST IN PLAT OF NICHOLLS SECOND ADD TO SOUTH LAKE ALSO ALL THAT PART OF VACATED GARFIELD ST & W1/2 OF VACATED ALLEY RUNNING N&S FROM N LI OF GARFIELD ST TO N LI LOT 7 BLK 22 NICHOLLS THIRD ADDITION TO VILLAGE SOUTH LAKE DESC IN L381 P803-805 ABUTTING SD PARCEL ALSO COM AT INTER OF W LI OF MAIN ST WI N LI SEC 23 T32N R7W TH S AL SD W LI 663.0FT TH W PARA WI N LI SD SEC 120FT TO ELY LIOF ALLEY RECD IN L142 P382 CX CO R/D FORPOB TH S AL ELY LI ALLEY 137FT TO N LI LOT 7 BLK 22 NICHOLLS THIRD ADD TO VILL S LAKE TH W AL N LI SD BLK 22 SD PLAT 58FT TH N PARA WI ELY LI ALLEY 58.95FT (PREV RECD AS 70FT) TH E PARA WI N LI BLK 22 SD PLAT 42FT TH N PARA WI ELY LI SD ALLEY TO A PT W PARA WI N LI SD SEC FROM POB TH E PARA WI N LI TO POB BEING PT GOV LOT 1 SEC 23 T32N R7W

Parcel Number 053-353-007-00

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DDA 2000COMB 1198 353-007-00 & 007-10 VILLAGE OF S LAKE ALL OF
LOTS 7,8,9,10, 11 & 12 BLK 3

be and here is established as an Industrial Development District pursuant to the
provision of Act No. 198 of the Public Acts of 1974 to be known as the 301
Spring St. Industrial Development District.

AYES: FISHER, TIMMONS, KLOOSTER, MOES, POSTMA AND
SYMONDS

NAYS: NONE

ABSTAIN: BENNETT

RESOLUTION DECLARED ADOPTED DECEMBER 18, 2007.

Commissioner Moes asked if there was a map of the proposed district.

Administrator White stated he did not have a map but the district would include
all the East Jordan Iron Works property on Spring Street.

Mayor Bennett abstained from discussion and voting on this item as he is a
member of management at the East Jordan Iron Works.

ITEM #14 Resolution 132-2007, Resolution to Authorize and Establish a 2007B
General (Limited Tax) Obligation Capital Improvement Bond Debt Retirement
Fund

Mayor Bennett asked Attorney Beatty to review the steps to complete the
bonding process and why the Commission may see the same issue several
times.

Attorney Beatty stated there are several steps, many of which must be adopted
by separate resolutions.

The following resolution was offered for adoption by Symonds, second by
Klooster:

RESOLUTION 132-2007
A RESOLUTION TO AUTHORIZE AND ESTABLISH A 2007B GENERAL
(LIMITED TAX) OBLIGATION CAPITAL IMPROVEMENT BOND DEBT
RETRIEMENT FUND

WHEREAS, the City of East Jordan desires to record the operation of the
2007B General Obligation (Limited Tax) Capital Improvement Bond Debt
Retirement Fund, and

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WHEREAS, the 2007B General Obligation (Limited Tax) Capital Improvement Bond Debt Retirement Fund is a Debt Service Fund, and is used to account for the payment of interest and principal on voter approved long-term general obligation debt. The cash and investments of this Debt Service Fund are subject to requirements of Act 20 PA 1943, as amended, (MCL 129.91), and

WHEREAS, the source of revenue intended to retire the bonds shall consist of revenues from the City of East Jordan's Harbor Marina Fund, and

THEREFORE BE IT RESOLVED, that the City Administrator and City Treasurer are hereby directed to account for and record the operations of this fund.

BE IT RESOLVED FURTHER, that the Fiscal Year 2007/2008 Budget be amended to account for this new fund.

Roll Call Vote:

Ayes: SYMONDS, FISHER, TIMMONS, KLOOSTER, MOES, POSTMA
AND BENNETT

Nays: NONE

Absent: NONE

RESOLUTION DECLARED ADOPTED DECEMBER 18, 2007.

ITEM #15 DDA Update

No items to report.

ITEM #16 Administrator's Report

ADMINISTRATOR'S REPORT
DECEMBER 18, 2007

1. Now that the snow is here to stay I have had numerous concerns from citizens regarding snowmobiles on the sidewalks. Signs explaining the operations of snowmobiles in the City have been placed in the lot next to B.C. Pizza and at Community Park. Chief Reece is in contact with the Snowmobile Club and numerous contacts with snowmobiles on the sidewalks have been made. This situation is always a problem at the start of every winter as people become reeducated to the rules of riding.

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2. I would like to take this time to wish the Citizens and Commission a very Merry Christmas Season and a Happy New Year. 2007 has been a very challenging year and our community continues to move forward. May 2008 also be another great year for our community.

Administrator White informed the Commission that he would like to continue the practice of granting employees two hours of leave as a thank you for their hard work throughout the year.

Commission agreed to continue the practice.

Commission briefly discussed the sidewalks open to snowmobiles to allow travel across the bridge.

ITEM #17 Mayor's Report

Mayor Bennett wished everyone a Merry Christmas and asked that the January 1, 2008 meeting be cancelled due to the holidays.

Commissioner Moes felt the Commission should meet on January 8 to make up the missed meeting.

Mayor Bennett stated there would likely be no items for the agenda with the holidays.

Moes stated she had an item for the agenda; she wants the City to have a "Zero Tolerance" Policy for drugs starting in January for all city employees.

Commissioner Timmons questioned when the budget would be discussed.

Administrator White stated the budget is presented to the Commission in February.

Motion offered by Postma, second by Symonds, to cancel the January 1, 2008 City Commission meeting.

**MOTION CARRIED ALL AYES
BY ROLL CALL VOTE**

Mayor Bennett read a statement to the public regarding the previous closed session and the situation with Commissioner Timmons' retirement agreement.

Commissioner Timmons handed out information he found on Elected Officials and Employees of the City from various sources and reviewed them with the Commission.

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Commission held discussion on the various resolutions to Commissioner Timmons situation.

Attorney Beatty stated the agreement with Commissioner Timmons allows for a declaratory judgment in circuit court.

Motion offered by Postma, second by Klooster, to request that Labor Attorney Marshall Grate proceed with a declaratory action in circuit court.

MOTION CARRIED
BY ROLL CALL VOTE
AYES: POSTMA, MOES, KLOOSTER, FISHER, SYMONDS AND BENNETT
NAYS: NONE
ABSTAIN: TIMMONS

Commissioner Timmons abstained from voting as this issue affects him directly.

Mayor Bennett informed the Commission of the budget review for next commission meeting and to be prepared to have discussion regarding the budget.

ITEM #18 Attorney's Report

Beatty addressed an easement brought to the Commission previously by Gary Roberts regarding the property located off of M-66.

Beatty suggested authorizing a non-exclusive easement to be signed between the City and the property owners in order for them to use the City's easement in order to access their home.

Motion offered by Postma, second by Klooster to authorize the signing of a non-exclusive easement.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Beatty also addressed the proposed PILOT ordinance for the Applewood and Highland Terrace Development and that an introduction to this ordinance needs to be approved tonight and possibly adopted at the next Commission Meeting.

Motion offered by Postma, second by Fisher to acknowledge receipt of an Introduction to a PILOT ordinance for Applewood and Highland Terrance.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

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Steve Werth addressed the Commission regarding the PILOT Ordinance and reviewed the property tax changes affected by doing this PILOT Ordinance.

ITEM #19 Commissioners

Commissioner Postma thanked everyone for working together and working towards a resolution on the contract dispute and wished everyone a Merry Christmas.

Commissioner Moes thanked the department heads and all the departments for their help.

Moes also informed the Commission she had done research regarding the Fire Department and that the Fire Chief by law doesn't have to live in the City limits. She did find that the By-Laws and Policies should be updated.

Moes also wanted to wish everyone a Merry Christmas.

Commissioner Klooster wished everyone a Merry Christmas.

Commissioner Timmons wished everyone a Merry Christmas and Happy New Year.

Timmons questioned whether the Commission should determine whether the expense of a legal opinion should be incurred.

Commissioner Fisher wished everyone a Merry Christmas and Happy New Year and stated he was informed that during the recent City Election the police department violated Michigan Compiled Law by having campaign literature at their police headquarters trying to influence the election of a certain candidate.

Fisher also stated it was also brought to his attention that the same candidate was riding around town in police vehicles.

Commissioner Timmons inquired if the handbook was completed or was it being updated and if this issue was to be addressed in the handbook.

Chief Reece stated the handbook is still being updated due to an employee had multi disciplinary issues and most of the time was being spent addressing these issues.

Reece stated he has example policies from the Michigan Municipal League to review.

Commissioner Fisher inquired regarding the percentage of the budget for the Police Department.

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Mayor Bennett stated during his last term on the Commission lengthy discussion was held regarding the Police budget and that the consensus of the previous commission that the City needs the protection.

Commissioner Symonds thanked everyone for coming to the meeting and wished everyone a Merry Christmas and Happy New Year.

Chief Reece informed the Commission the Police Department does allow ride along and have worked with area colleges as they have mandated a internship for the Criminal Justice program that you ride with a Police Officer.

#20 Speaker Requests

No speaker request slips were received.

Major Bennett adjourned the meeting at 9:15 p.m.

Respectfully,

Daniel G. Bennett
Mayor

Lori M. Campbell, CMC
City Clerk