

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 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 7:35 p.m.

ITEM #5 Inquiry of Conflicts of Interest

No conflicts of interest were voiced.

CONSENT AGENDA

Commissioner Moes requested Items #7 and #10 be pulled for discussion.

The remaining consent agenda was approved as follows with the exception of
Item #7 and Item #10.

Motion offered by Symonds, second by Postma, to approve the minutes of the
Regular Commission meeting, dated May 6, 2008.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to approve the minutes of the
Special Commission Meeting, dated May 13, 2008.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to acknowledge receipt of the
Funds on Hand Report, April 2008.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

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

- A. Housing Commission, April 8, 2008
- B. Appointments Committee, May 6, 2008

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

ITEM #7 Acknowledge Receipt of the Paid Bill List dated May 15, 2008 totaling \$266,724.40

Commissioner Moes questioned the check in the Election Line item for MC & E Inc. and what it was for.

Administrator White stated they were for the new voting booths that were purchased.

Moes also questioned in the Clerk Line item the check for Charlevoix State Bank for \$400.00.

Treasurer Moreau verified this was part of a purchase of a new laptop computer. Part of the cost came out of the Supplies line item and the Equipment-Computer line item in the Clerk's Department and the other part came out of the Elections line item.

White added this was for the Clerk's department to be used at the Elections to verify voter registration.

Moes questioned the check to True Value in the Cemetery line item for \$432.00.

Moreau stated it was for the purchase of the flags for the Cemetery.

Moes inquired if anyone had looked into the VA purchasing the flags for the graves.

Commissioner Fisher stated the VA wouldn't purchase the flags and the VFW and American Legions don't have the money to purchase them.

Moes questioned what the check for Charlevoix State Bank was for in the Police Department Line item in the amount of \$648.00.

White stated this was for a replacement laptop computer for one of the patrol cars.

Moes questioned how many laptops the Police Department owned.

Police Chief Reece stated they had 3 that were working and the new laptop that was purchased was for the Speed Century which has a data logger on it and this will enable the Police Department to pull the data off of that computer.

Reece also stated each laptop is assigned specific addresses by CCE and they are not interchangeable.

ITEM #10 Acknowledge Receipt of Monthly EMS Report, April 2008

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Commissioner Moes questioned the EMS Monthly Balance sheet which was on the report and if it was necessary that the Commission receive it.

Administrator Peck stated it is required by the auditor for the EMS department to submit to the City Treasurer and doesn't need to be given to the Commission, as it was an oversight.

Motion offered by Symonds, second by Fisher to approve Item #7 and Item #10 as presented.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

REGULAR AGENDA

ITEM #11 Speaker Requests

Mayor Bennett stated both speaker requests that were received wanted to comment on Item #13 and would wait until that time to speak.

ITEM #12 East Jordan Firefighters Association Request

Commissioner Postma questioned if staff had reviewed their requests and if there were any items needing to be addressed.

Administrator White stated it was given to staff and he has received no comments from any of them regarding this request.

Motion offered by Postma, second by Symonds to approve the East Jordan Firefighters Association requests for the Car-N-Bike Show on Saturday, July 5, 2008.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

ITEM #13 Ordinance #206, Bluffside Apartment Homes Tax Exemption Ordinance

Speaker Request #1- Butch Breakey

Mr. Breakey questioned the Commission on why the surrounding property owners were not notified when this item came up for discussion again.

Breakey stated he and his neighbors were told they would be notified if this issue came up again and they have not been notified.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Commissioner Moes stated she had called Administrator White and requested the information from past meetings to see if in fact it was said that the surrounding property owners would be notified.

Moes also added she had contact Mr. Haan and discussed this issue with him and she was told to check on it and let him know.

Moes stated after reviewing the minutes she received, she agreed that they did not state the property owners would be notified and she was concerned and felt there were sections of the minutes missing as there was unfinished conversations.

Breakey stated he and his neighbor spoke at the Commission meeting last year when this proposal was brought to the Commission.

Moes stated nothing was stated in the minutes of what the audience or speakers had said regarding their concerns.

Commissioner Timmons informed the Commissioners he had done some research regarding this issue and he has spoken to people who had attended that meeting and they remember being told that they would be notified if or when this issue was brought up again.

Timmons stated if they were told they would be notified then whoever stated they would be notified needs to be held accountable and notify those property owners.

Breakey added this development is right in his backyard and he felt he should have been notified or give a courtesy notice.

Moes stated if this issue was brought before the Commission again, she would be willing to hand deliver notices to the property owners.

Mayor Bennett stated the last time this proposal was brought before the Commission there were zoning issues and there was a public hearing for the zoning portion of the proposed site.

Bennett stated he didn't recall anyone stating the surrounding property owners would be notified.

Moes added the minutes needed to reflect what was said.

Bennett stated it wasn't documented as he doesn't feel that it was said.

Moes stated according to the minutes the audience was polled regarding the pros and cons of the project and nothing indicates what the audience said or if anyone spoke during this time.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Commissioner Symonds added he didn't believe anyone said anything during that time and it seemed everyone agreed to what was presented on the boards of the pros and cons.

Commissioner Moes stated she didn't want 15 to 20 people saying they were promised something and nothing was done about this.

Breakey questioned why when the project had changed why weren't any of the property owners notified of the changes and he wanted to know whose responsibility it was to notify them.

Commissioner Postma stated the Commission would be responsible for if nothing was acted on to correct the minutes if it was said and it wasn't placed in the minutes.

Postma also added it should have been in the minutes and if it was then they needed to have been corrected before they were approved.

Breakey felt it would have been common courtesy to notify the property owners.

Moes stated this wasn't the first time that important statements said in a meeting were left out.

Speaker Request #2- James Clifford

James Clifford, adjacent property owner to the proposed property, stated he felt left out of the process and felt the property owners should have been notified.

Clifford also added he was not opposed to development but he was opposed to this development.

Clifford stated if he was going to receive this type of treatment which didn't include receiving important information that affects him and his family, he doesn't want to live here.

Clifford also stated there should be more done to notify property owners on items like this.

Mayor Bennett stated there were no notifications sent out this time as there were no zoning changes taking place and property owners were notified the first time due to the re-zoning.

Bennett also stated all property owners aren't notified when surrounding properties are sold.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Commissioner Moes stated it was feasible that wording might be missing from the minutes.

Bennett stated he doesn't deny that sentences may be missing from the minutes.

Bennett and Commissioner Postma both agreed they didn't remember ever saying notification would be made to the surrounding property owners.

Moes felt this issue should come back to the table for more discussion after property owners have been notified.

Postma questioned Mr. Clifford if he was notified regarding this project.

Clifford stated something came in the mail and he believed it was for a house located by McDonald's and that was the only thing he remembered receiving.

Commissioner Moes informed the Commission she had spoken to Jonathon Scheel and he had stated if the people's rights were jeopardized, he doesn't want to do something that would cause a big issue and wants to make sure this process is done right.

Attorney Beatty stated the tax ordinance in the Commission books was amended to include the restriction of 12 units and the properties legal description.

Beatty also added the City is not required by law to notify surrounding property owners of the proposed site as it meets all zoning requirements but would suggest doing a mailing instead of being hand delivered to the surrounding property owners if the Commission wishes to notify them.

Beatty also wanted everyone to understand anyone could build on the property as they are not seeking a rezoning.

Beatty also wanted it noted this is an unusual situation and the Commission is making a one time exception to mail out notices as the City is not required by law to do so and the same people will be notified who were notified for the initial rezoning.

Commissioner Moes questioned if there were any studies done on this PILOT Ordinance as she did not have much information regarding it and she would like to review the information.

Motion offered by Moes, second by Timmons to table Ordinance #206 and to notify the surrounding property owners of a public hearing set for June 3, 2008 to receive any comments regarding the proposed Bluffside Apartment Homes and to allow the Commission to deliberate on the Ordinance.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

ITEM #14 City Administrator Evaluation

Commissioner Postma stated this was not the first time this issue has been brought up this year.

Motion offered by Postma, second by Klooster to keep using the current process of making evaluations in October.

Commissioner Timmons stated this process is not working and there are issues that continue to come up and need to be looked at.

Commissioner Symonds questioned what those issues were.

Timmons stated issues such as those brought up at the last Commission meeting of the clerk's time off and felt anyone overseeing a department and allowing someone to get away with that much time off is not doing their job and there are other issues that need to be addressed as well.

Commissioner Moes informed the Commission she requested this evaluation be placed on the agenda and after gathering information, she feels the Commission should not ask for an evaluation to be done on the City Administrator but to ask for his resignation.

Moes questioned Administrator White if he would like this information disclosed in closed or open session as she would like to state the reasons she feels the Commission should ask for his resignation.

Commissioner Fisher stated anytime he has had any issues with anything City related, he has come in and spoke to Administrator White regarding his concerns and feels each person has the opportunity to do that and this information should be done in private first.

Mayor Bennett questioned Commissioner Moes if she had sat down with Administrator White and spoke to him about the issues she has.

Moes stated she has not and most of it has been public that people have addressed to her publicly.

Bennett questioned Moes if she had addressed any of her concerns with Administrator White in the last 6 months.

Moes stated yes.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Bennett questioned if she had sat down with White to work with him.

Moes stated she has discussed some of them with him but there are enough issues that have been ongoing and are getting bigger and bigger and feels the truth is not fully being disclosed in conversations.

Moes stated she was informed of vulgar language being used at City hall by an employee, no management oversight and hours, Administrator White is missing, there is no accountability and this is concerning.

Moes added she brought this information to the Commissioners as she feels they need to be aware of these situations.

Bennett questioned Moes on the information she wanted to provide to the Commission if it provided accountability.

Moes stated she believed it did and she had checked and there were 12 ½ sick days since January, and there were a few vacation days.

Bennett questioned whose job it was to approve the vacation days.

Moes stated she didn't care about the vacation days.

Bennett questioned whose job it was to approve time off.

Moes stated she could not justify 30 hours of time off and it comes back to management and it's the Commissions job to make sure Administrator White is doing his job.

Bennett stated there was a motion and a second on the floor to keep the evaluation process as is.

Moes stated she would agree that he should not be evaluated as she would like something different.

Motion offered by Postma, second by Klooster to keep using the current process of making evaluations in October.

MOTION CARRIED
BY ROLL CALL VOTE
NAYS: TIMMONS

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

ITEM #15 Budget Proposals and Discussion

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Commissioner Fisher commented he felt that information presented to the Commissioners by other Commissioners should be given before meetings so there is time to review it all.

Commissioner Moes stated the Commissioners had 2 weeks to look at her proposals and questioned if there was anything that could be cut.

Moes felt more cuts needed to be made.

Mayor Bennett addressed Commissioner Moes and questioned her budget cuts for items such as Membership Fees to Northern Lakes Economic Alliance and Michigan Municipal League as he didn't believe she realized all of the money and projects they have brought into the community.

Moes questioned if the City had money to pay for the dues and if they are needed to keep them and if not they needed to be cut out.

Moes also stated the Commission had spoken about a Full Time Fire Chief and how much this community needed one.

Moes added the Commission had increased the budget as it began at \$1,596,000 and the Commission added to it ending up at \$1,671,000 and we are managing to breakeven and we have nothing on reserve and still feels there are a lot of things the City doesn't need.

Commissioner Postma stated Elm Pointe has been very well taken care of by the caretakers.

Moes stated some things need to be cut or adjusted and she would like to work on some of her proposals.

Commissioner Timmons stated he went through the proposed budget they had originally received and then went through it again after cuts had been made and there were increases of \$79,600 in the General Fund, Revenue increased in the Grants Private Sources line item from \$10,000 to \$20,000 and we were able to increase the Operating Transfers In from \$12,000 to \$42,000 and that is only \$40,000.

Timmons stated the proposed budget that was presented started with a zero balance.

Commissioner Postma stated he and Mayor Bennett had gone through the proposed budget cuts by Commissioner Moes and most of the cuts aren't reasonable and none of the proposed cuts were brought up in the work sessions.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Postma added the only item he saw that could possibly be looked at was to refer to staff the internet service to see if there is a less expensive source other than Maylone.

Postma also added the Police Department had been looked at and it was decided on by the Commission to not make any cuts in that department.

Commissioner Moes stated she had met with Sheriff Lasater and he had stated if the Commission wrote him a letter, he would propose what his department could do for free but we would need to request it.

Moes also stated the City had received a resignation of a position and wasn't sure if Susan could cover with the two aides or not but still feels we need a Fire Chief and also feels the City doesn't need all the travel expenses and books and subscriptions.

Moes stated she could not be the only Commissioner that looks at this information and questions some of it.

Postma questioned why this information wasn't brought up in any of the work sessions.

Moes stated she brought up a lot of her cuts and she was told it couldn't be done.

Commissioner Timmons commented during the budget discussions maybe know one realized we would be ending up where we would be falling behind.

Mayor Bennett stated if the revenue doesn't come in then it doesn't get spent.

Moes stated it wasn't true as 2 laptop computers were just purchased and couldn't these be postponed or can't we live without it.

Moes also added if anyone knew about anything else that could be cut easier then to bring it to the table.

Commissioner Fisher questioned if Administrator White and Treasurer Moreau review the proposed cuts.

Neil Booze stated as that as much trouble as the Commission went to at the last meeting trying to come up with \$15,000 to finish the electrical, it should be apparent that funds aren't flush and at some point some numbers need to be cut to balance the budget.

Booze also added he has gone through the budget himself and seen that there are many line items that have prior year's line item as zero and this proposed budget a huge amount which can be cut without affecting the department.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Booze stated if things need to be amended it can come back to the Commission and be requested and this needs to be under more control.

Bonnie Thomas stated everyone's household runs on a budget and doesn't feel the Commission is even looking at the proposed cuts and feels it's a one track mindset.

Motion offered by Timmons, second by Moes to seriously look at the proposed cuts and bring back to the next Commission meeting with cuts to make.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Mayor Bennett requested Administrator White to work with the department heads to see what they could cut out of their budget.

ITEM #16 DDA Update

Mayor Bennett reminded everyone about the flower planting on May 29 for the flowerboxes and help is needed.

ITEM #17 Administrator's Report

Administrator White stated Gretchen Bender was in attendance regarding the Jordan Valley Freedom Festival and she could answer any questions the Commission may have.

Gretchen Bender reviewed the plans for the Freedom Festival and their requests. (Copy of letter made part of these original minutes.)

Commissioner Symonds stated the requests seemed to be the same as prior years.

Administrator White stated the department heads had met with the Freedom Festival Committee and there were no concerns.

Mayor Bennett informed the Commission the Freedom Festival is using a new Fireworks Company this year and we are expected to see quite a show.

Bender stated he is based out of East Jordan and he is very excited about doing this in his home town.

Motion offered by Symonds, second by Postma to approve all requests made by the Jordan Valley Freedom Festival.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

White added at the last Commission meeting information was requested from DPW Superintendent Breakey regarding the cost on meter reading from the vehicles and information was given from Etna Supply and the cost to convert all of the meters would be \$200,000.

Commissioner Klooster if this would reflect the water fund.

White stated yes the cost would have to come out of the water fund.

Klooster questioned if there were any consideration of doing monthly billing.

White stated the figures were given at the last Commission Meeting.

ITEM #18 Mayor's Report

Mayor Bennett stated the City has received a bill from Marshall Grate in the amount of \$3,664.65 which he believes will be the last billing except for a phone call which he received on Monday so there could be one more bill for that phone call.

Bennett stated he would need a motion from the Commission to authorize payment of \$3,664.65 and to adjust the line item to allow for this payment.

Motion offered by Postma, second by Symonds to authorize payment of the billing to Marshall Grate in the amount of \$3,664.65 and to adjust the line item as needed to allow for payment of this item.

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

Commissioner Moes questioned if the City would be repaying Commissioner Timmons for any costs incurred by him during the recent litigation.

Commissioner Fisher questioned if that would have been up to the Court.

Attorney Beatty stated the court did not order for repayment.

Moes stated she didn't feel it was up to the court but up to the City to repay any expenses incurred by Commissioner Timmons during that time.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

ITEM #19 Attorney's Report

Attorney Beatty stated in a past meeting during discussions regarding the Ambulance legal services agreement and in the resolution the commission had approved he had put not applicable in the amount not to exceed section.

Beatty stated after speaking with the USDA they wanted a dollar figure placed in that section and he has changed that section on the resolution to put a cap of \$1000.00 which he does not expect to come near the dollar amount.

Motion offered by Symonds, second by Postma to rescind the prior Resolution.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Commissioner Moes stated she would like to see more paperwork on this.

Beatty stated it was the same legal services agreement which was presented in the Commission books but now it will have the capping dollar figure in the agreement.

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

Resolution of the City of East Jordan

WHEREAS, it is in the City's interests to seek a rural development grant from the United States Department of Agriculture: and

WHEREAS, the United States Department of Agriculture requires to be included with its grant application the attached Legal Services Agreement, incorporated herein by reference:

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

The attached Legal Services Agreement is approved and the City Administrator and the City Clerk are hereby authorized to execute the attached Legal Services Agreement and any other documents required to effect the transaction contemplated in said Agreement, on behalf of the City.

AYES: Klooster, Timmons, Fisher, Symonds, Postma, Moes & Bennett

NAYS: NONE

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

ITEM #20 Commissioners

Commissioner Postma wanted to notify anyone that may be interested in filling any vacancies on the Boards and Commissions to apply or inquire at City Hall.

Commissioner Moes stated she would meet with Administrator White to discuss the issues she has but she would like honesty.

Administrator White stated he would like the names of those people she is speaking to and would like it in writing.

Moes stated it becomes a dictatorship and we can't live underneath that.

White stated we cannot go anonymously either.

Moes added it is not anonymous when she comes to City Hall and the attached sheet she requested on vacation days is omitted. And to have Roberta say Dave told Cheltzi not to put them in the Commissioners box and when it was said you looked surprised.

White stated he had misspoken to Cheltzi as we had other issues going on and when he realized it wasn't in the Commission boxes we got the information put in the Commission boxes.

White added he wants to sit down with Commissioner Moes regarding the issues she has.

Moes stated there are items needing to be addressed and she isn't out for his job she just wants him to do his job.

Commissioner Klooster commented on the new trees that were put in on Mill Street next to Huntington National Bank.

Commissioner Timmons was informed there is a huge business sign on the second block of Water Street which he was told doesn't meet the zoning code.

Timmons stated the Commission needs to check into that and Administrator White needs to address it.

Timmons questioned if the Commission needs to discuss and vote on the wood services at the Tourist Park and requested this be placed on the next commission agenda.

Timmons also added the neighbors need to be notified regarding the PILOT program for the next agenda.

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 20, 2008 AT 7:35 P.M. IN CITY HALL**

Timmons questioned the Kiosk at the Tourist Park and what the status was on this project.

Administrator White stated there was discussion held regarding the kiosk but he believed no action had been taken.

Commissioner Postma stated there was never any motion made to pursue the kiosk so it wouldn't have been placed in the minutes.

Timmons recommended the City no longer use the services of Marshall Grate as he felt the City was not led down the right path and it was a huge expense.

Commissioner Moes agreed.

Motion offered by Postma, second by Klooster to refer to staff to research information regarding the kiosk at the Tourist Park.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Timmons stated he from the information he recalled regarding the kiosk was that the Commission was to review the situation with wood sales every year.

Mayor Bennett stated he believed the Lion's Club is the only bid received.

Commissioner Moes commented she felt the Commission needed to seriously sit down and talk about attorney's and decide who the City would be using instead of using multiple unless necessary.

Commissioner Fisher thanked Robinson's Landscaping for the new trees on Mill Street next to Huntington Bank.

Commissioner Postma also wanted to thank Mark Robinson for being appointed to the Planning Commission.

Mayor Bennett adjourned the meeting at 8:50 p.m.

Respectfully,

Daniel G. Bennett
Mayor

Cheltzi M. Wilson
Acting City Clerk