

**MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING
HELD TUESDAY, MAY 6, 2008 AT 7:32 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 7:32 p.m.

ITEM #5 Inquiry of Conflicts of Interest

No conflicts of interest were voiced.

CONSENT AGENDA

Commissioners Moes and Timmons requested item #9 be pulled and Commissioner Moes asked to comment on item #6.

Commissioner Moes stated in item #6, meeting minutes from April 15, 2008 Budget Work session, the conversation that was held regarding the EMS was missing from the minutes.

Moes wanted to clarify she has never stated or suggested that the EMS department was neglected in any way and she didn't ask for the department to be researched.

Moes also stated she would like to be quoted correctly if using her statements and again stated she never said the EMS department was neglected.

Moes also included she did say that the Fire Department was neglected by the Commission but they will be a priority department during budget discussions as she would like to have a full time fire chief hired.

Commissioner Timmons questioned what the check for Michigan State was for in the Administrator's line item.

Administrator White stated it was for a conference that the City Clerk and he would be attending in Charlevoix regarding Planning updates.

Timmons questioned if the check for MEDA was for the same item in the Administrator's Travel and School line item.

White stated it was to the Michigan Economic Development Association for a rural financing conference through MISHDA in Lansing he would be attending on Friday.

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Timmons inquired about the Clark Hill bill in the Attorney line item, and questioned if this would be the last of the billings.

Treasurer Moreau stated this was the last invoice that was received at this time.

Commissioner Moes stated this wasn't the last invoice as the invoice only went through March 31st and there were items from April that will need to be paid.

Moes stated she understood acknowledgment for the paid bill list needed to be made, she stated she doesn't approve of the Clark Hill bill but acknowledges receipt of the paid bill list dated May 1, 2008.

Commissioner Fisher clarified the check for Kevin LaVanway Masonry was for the dugouts at the Adult Softball field.

White stated yes.

Timmons questioned the check to Michigan State in the Clerk's Department Travel and School line item.

White stated it was for the same class that he would be taking regarding the Planning updates.

Timmons inquired regarding the check to Dick's Gun Service in the Police Department Line item and what this was for.

Police Chief Reece stated this was for a shot gun to be repaired.

Timmons questioned the check for Charlevoix Screen Masters in the same line item.

Reece stated this was for embroidery on the police officer's uniforms.

Timmons stated he did not see a line item in the Police Department for Fuel.

Treasurer Moreau stated there are bills in the bill box to be paid on the next accounts payable in May.

Timmons inquired about the check to Charlevoix State Bank from the Police Department Trust Fund line item.

Moreau stated it was on the Visa charge card and she would have to pull the invoice to verify what this was for but believed it was for supplies for the Dare Program.

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Timmons also stated he is acknowledging receipt of the Paid Bill list but didn't approve of the Clark Hill bill.

Commissioner Moes inquired about the check to Fire Suppression Products, Inc., in the Fire Department Trust Fund line item.

Moreau stated she would have to pull the invoice.

Motion offered by Symonds, second by Postma, to approve the minutes of the Budget Work Session, dated April 8, 2008.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to approve the minutes of the Regular Commission meeting, dated April 15, 2008.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to approve the minutes of the Budget Work Session, dated April 15, 2008.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to approve the Public Hearing minutes, dated April 15, 2008, RE: Delinquent Bills.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to approve the Public Hearing minutes, dated April 15, 2008, RE: FY 2008/2009 Proposed Budget.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to acknowledge receipt of the Paid Bill list dated May 1, 2008, totaling \$280,266.31.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to acknowledge receipt of the Monthly Zoning Activity Report, April 2008.

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MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

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

- A. Election Commission, April 8, 2008
- B. Jordan Valley District Library, December 19, 2007
- C. Jordan Valley District Library, March 12, 2008

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to acknowledge receipt of the Monthly EMS report, March 2008.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to approve the following Tourist Park Building rental requests:

- A. Ann Goodburn
- B. Tinea Spence

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, second by Postma, to acknowledge receipt of information regarding monthly water/sewer billing.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

REGULAR AGENDA

Commissioner Fisher requested Item #17 be moved prior to Item #15 Speaker Requests.

Mayor Bennett read a prepared statement to the Commission regarding Commissioner Timmons and the recent decision on April 18th by Judge Pajtas that Commissioner Timmons is not in breach of his contract with the City.

Bennett thanked Commissioner Timmons for his patience and informed the Commission this decision is final and this subject will not be pursued any further.

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ITEM #17 Gaery Haan

Jonathon Scheel, representative for Gaery Haan and Haan Development, addressed the Commission regarding any questions they had and requested they approve the current PILOT ordinance.

Commissioner Moes stated she had spoken with Gaery Haan and her only concern was if everyone in the surrounding area was notified.

Attorney Beatty stated part of their request was a re-zoning for part of the property and there is a requirement that everyone within 300 feet be notified of the re-zoning.

Moes inquired if everyone was notified regarding the PILOT ordinance that would want to have an input regarding this issue such as those near the building site.

Commissioner Postma stated only those within 300 feet were notified and that was for the re-zoning only.

Beatty stated the PILOT ordinance does not require any notification.

Moes felt she could not make a decision this quickly and needed more time to research the PILOT program and would like to hear from the past commissioners regarding this subject on their view of the project.

Mayor Bennett clarified the project now involves 12 units only instead of the original 48.

Bennett felt it would add families to the Community, children to the school system, more water and sewer users and create jobs with the project.

Commissioner Symonds felt it would bring more investment into the Community.

Bennett informed the Commission this project is financed by the State.

Mr. Scheel stated Haan Development has contracted with the State for a 30 year period.

Scheel also included MiSHDA has very high standards with housing and they would be audited every year and would have to have yearly inspections of the buildings every year per MiSHDA requirements.

Commissioner Timmons questioned if there would be agreements with renters.

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Scheel stated there are agreements and they have very strict requirements on behavior and good family oriented tenants would only be allowed to rent there.

Speaker Request #1-

Anna Murray addressed the Commission regarding the PILOT ordinance and stated they were not notified regarding this ordinance and they are totally opposed to this project.

Murray stated it was recently voted down and feels the City could not afford to do this program.

Commissioner Timmons questioned what the plans were for the commercially zoned sites if this ordinance was passed.

Scheel stated they would be marketing the sites and possibly additional units could be built if the marketing study shows the need for more units.

Commissioner Fisher stated there were two realtors present and asked for their opinions.

Sara Schroeder, Jordan Valley District Library Board President, stated if the Commission doesn't approve this ordinance, to know that there will be other organizations here at some point to try to put something on the property.

Schroeder also included this property is currently owned by the District Library and cannot afford to sit vacant.

Butch Breakey, adjoining property owner, stated something would go in there eventually but wants what is best for the area.

Anna Murray stated she was not against development but wants whomever it is coming in to pay their fair share.

Kim Hejka stated she feels the city doesn't need any more housing. She stated current landlords can't keep their rentals rented for a decent price.

Hejka also stated she felt East Jordan should offer more to the people of East Jordan that have already invested.

Jane Booze added she didn't think affordable housing is what is keeping people from East Jordan.

Scheel stated the project would cost between 2.2 and 2.5 million dollars.

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Commissioner Moes stated new jobs would be created and there would be money coming in to the community during the construction of the project and realizes a decision needs to be made now.

Bennett stated he sees a lot of positive things coming out of this project and a decision needs to be made tonight.

Tony Cutler stated he felt this is a good project to bring into the community and good projects attract people into the community.

Cutler felt if the Commission denies the offer tonight, the city is basically saying that we are anti-growth. East Jordan needs this project as well as Northern Michigan.

Cutler understood that everyone won't agree on this project but the community needs to build and show that we are pro-growth and pro-business.

Maggie Willette stated she owns a rental and felt that landlords can't find people to put into the current properties for sale or for rent and felt most people renting in East Jordan probably wouldn't pass a credit check.

Willette also added she would like to see a project with permanent jobs instead of temporary ones.

Commissioner Moes stated everyone knows the economy is bad but this offers some work to the community.

Moes also included this will bring in revenue and it's needed in the community.

Moes felt local businesses would help make this project cost effective.

Commissioner Postma questioned if local contractors would be used for this project.

Scheel stated there would be small subcontractors that would be local at the worst, regional, they would go through the bid process to get any local businesses.

Attorney Beatty stated Mr. Haan stated an expression of support would be sufficient for tonight's meeting.

Beatty also included he had asked Mr. Haan to send him a draft ordinance he felt was acceptable and he had sent him a copy of Mackinaw City's ordinance.

Beatty stated he re-drafted the Applewood/Highland Terrace PILOT ordinance.

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Motion offered by Moes, second by Postma, to support the PILOT project.

AYES: KLOOSTER, FISHER, SYMONDS, POSTMA, MOES AND
BENNETT
NAYS: TIMMONS
MOTION CARRIED
BY ROLL CALL VOTE

Commissioner Moes questioned if Commissioners could have information regarding the contracts and lease requirements, etc. of the other projects for the next commission meeting.

Mr. Scheel stated he would get the information to Administrator White.

Motion offered by Fisher, second by Symonds, to acknowledge receipt of an Introduction to the Tax Exemption Ordinance for Gaery Haan with corrections made by Attorney Beatty.

AYES: KLOOSTER, FISHER, SYMONDS, POSTMA, MOES AND BENNETT
NAYS: TIMMONS
MOTION CARRIED
BY ROLL CALL VOTE

ITEM #15 Speaker Requests

Speaker Request #2-

Anita Pentecost addressed the Commission regarding the status of the Adult Softball Field.

Administrator White stated there was an issue with some of the lights that did not get delivered and we are trying to locate.

Pentecost questioned when the lights would be here.

White stated he had written a letter to the branch manager of USF Holland and he is currently waiting for a response from them.

Pentecost stated currently nobody can practice or play on the field due to the light poles lying on the ground and inquired if the poles could be moved.

White informed Ms. Pentecost if he didn't hear anything by the end of the week he would be contacting the pole truck company to have them put up the poles.

Speaker Request #3-

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Kim Hejka stated she wanted to comment on a recent article in the City Talk newsletter from the Treasurer's office.

Hejka stated she was offended by the article as a realtor and questioned where the article came from.

Treasurer Moreau stated it came out of one of her Treasurer's magazines.

Hejka felt the article was very informative but felt it wasn't something a realtor wouldn't misinform new home buyers about.

Moreau stated the article was never meant as a direct attack on realtors it was meant to inform new home buyers on taxes.

Hejka requested a retraction be printed and stated she would write an article for the next newsletter.

Speaker Request #4-

Jean Timmons thanked Mayor Bennett for publicly announcing the Timmons case is done and over with and stated nobody knows what their family has been through in the last several months and hopes this if finally over.

Timmons also questioned Mayor Bennett why two city employees were at the hearing instead of the City Administrator and the Mayor.

Mayor Bennett stated he felt he had answered her question in a previous conversation.

Timmons stated she would like a reason as to why this was.

Bennett stated he didn't know the reason.

Timmons questioned if she could get that reason at some point.

Bennett stated she would have to address them personally.

Administrator White stated they were there on their own time.

Commissioner Timmons felt he could clarify and that it just showed their personal interest and that was why they were there.

ITEM #16 Mitch MacKay

Mr. MacKay read a statement to the Commission regarding his water bill. (Copy made part of these original minutes).

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Mayor Bennett stated his issues were addressed at the last commission meeting and that the possibility of monthly billing is being looked into.

ITEM #18 Water Rates

Commissioner Moes discussed possibly putting a cap on the water/sewer profits or what is set aside.

Moes feels enough should be set aside so if something breaks it can be fixed but be done without bankrupting the citizens.

Moes proposed to not make any water/sewer increases until the discrepancies in the billings are figured out and the dollar amount is established to set a cap, and see where the water fund sits as of July 1st.

Mayor Bennett stated the Commission had set lower rates at the first budget discussion meeting.

Moes felt the increases needed to be done at a slower rate.

Bennett stated the water and sewer funds were enterprise funds and they are meant to sustain themselves.

Moes stated they aren't meant to price gauge the people and that is how they feel.

Bennett stated there was no rate increase from 1984 to 1994.

Moes felt the Commission should still consider capping.

Bennett stated we are not setting any aside at this time.

Moes stated the people want the water and sewer rates capped.

Bennett stated the rate increase is basically on the maintenance fee and didn't foresee many repairs in the near future.

Bennett and Fisher proposed the debt fee be decreased by \$.05 and increase the water OM &R by \$.05 which wouldn't affect the current water bills, they essentially would stay the same.

Moes still felt a capping needed to take place once the balance gets to a certain level.

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Moes stated the city could not cover the cost of a true emergency and that the State would have to step in per the Auditor, also stating we shouldn't be saving up for one big emergency that may or may not happen.

Neil Booze stated he has a survey that was done by a marketing firm for the entire Northern half of Michigan which shows East Jordan at the top of the list with the highest water rates.

Booze stated he would like to see no increase and if the city isn't using the tables that calculate the rates that are presented in the budget, then those numbers need to be corrected or remove them and the correct figures be presented.

Commissioner Postma stated the formula that is used to calculate the rates was given by the State. The State includes the depreciation in the formula and they aren't the numbers that are used as they calculate either too high or too low.

Booze added this is what the public sees and if this isn't the correct information then the correct information needs to be relayed to the public.

Jane Booze felt the figures were inflated and the actual information be used and be available to the public.

Commissioner Timmons stated he thought during recent discussions regarding this issue, the Commission referred this to staff and questioned if anything had been done.

Administrator White stated Clerk Campbell sent the information down to the State to review.

Commissioners Timmons and Moes stated they both were interested in viewing this information.

Moes also stated she would like to look into capping the water/sewer funds and questioned when this information would be back from the State.

White informed the commission he would try to get it by the next commission meeting.

Motion offered by Postma, second Symonds to approve a \$.05 increase in the water rate and a \$.05 decrease in the water debt rate.

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

Mitch MacKay questioned if the Commission would be acting on his water bill tonight.

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Administrator White questioned if Mr. Mackay was requesting the City Commission forgive \$500.00 of his water/sewer bill.

Mackay stated yes.

Commissioner Timmons informed the Commission he tried to have this looked into before and was informed the city ordinance doesn't allow for this type of adjustment.

Commissioner Moes felt a compassion clause needed to be put into effect.

Motion offered by Moes, second by Symonds to adjust Mr. MacKay's water bill to the average of the previous 3 quarters.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Dennis Archer addressed the commission and felt if the homeowner could monitor their own meter it would be easier to detect a leak.

DPW Superintendent Breakey stated a new meter currently costs \$160.00 and there are other systems that can be looked into such as telephone or radio reads, or monthly readings, but this costs money to convert the current system over.

Commissioner Postma questioned if this would save on labor costs and how long would it take to see a savings.

Postma requested DPW Superintendent Breakey to research this information and continue discussions regarding this issue at the next meeting.

ITEM #19 Budget Discussion

Commissioner Moes stated she requested this item be placed on the agenda and submitted her budget proposal to the Commission. (copy of this document made part of these original minutes.)

Moes stated she feels the City is in a financial crisis and felt more budget cuts needed to be made and proposed \$290,000.00 of cuts.

Moes provided the commission with a copy of the City Clerk's days she has been absent and felt this was inappropriate and needed to be looked into as she has heard from a lot of people in the community that are very upset by this situation and is requesting the Clerk's position be changed to an hourly position at this time.

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Moes discussed her proposed budget cuts in each department with the Commission.

Moes also provided the commission with a copy of the Attorney Costs for the Paul Timmons Case. (Copy made part of these original minutes).

Moes requested the Commission review her proposed cuts and have them re-evaluated in 6 months.

Moes also requested Administrator White look into the Clerks time off.

Commissioner Postma stated all of the information Commissioner Moes proposed was covered in the budget work sessions.

Moes stated it was supposed to be a balanced budget and the city was going in with money and at this time we are going in deficit and cuts need to be made.

Postma questioned if Treasurer Moreau agreed with Commissioner Moes' figures.

Moreau stated she would have to go over the figures but as of the close out of April, the General Fund had cash of \$410,899.42.

Moes questioned if there is any money coming in that they are unaware of.

Moreau stated some of the State Revenue Sharing checks have been received, and the money going out of this fund has not been taken out yet such as money to the Harbor Fund.

Moes questioned if the City would break even or would it be deficit going into the new fiscal year.

Moreau stated she couldn't answer that at this time.

Moes stated some cuts could be made such as employee adjustments and that these are feasible.

Commissioner Timmons stated he has been monitoring how he thought the City would be at the end of the year and felt the Commission needed to set priorities such as dredging and the new fire chief's position.

Timmons also stated the proposed budget, as he understands it would be close to breaking even for the 2008-2009 fiscal year, if everything was captured that should be captured for taxes.

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Timmons also agreed with looking at making some cuts in the budget and looking at the options.

Commissioner Moes added the City has no emergency fund set aside in the General Fund and the majority of the town's people feel cuts need to be made.

Commissioner Postma stated not all line items always go over budget.

Moes stated she has seen where line items were allotted money and it had money left over and it was spent.

Mayor Bennett stated there have been 8 weeks of budget work sessions and discussions and the Commission needs to move forward.

ITEM #20

The following ordinance was offered for adoption by Postma, second by Symonds:

ORDINANCE #201-C
FISCAL YEAR 2007/2008 BUDGET AMENDMENT

The City of East Jordan Hereby Ordains:

That the Budget for the fiscal year beginning July 1, 2007 and ending June 30, 2008 shall be amended for operating the City of East Jordan. Ordinance #201 Budget Appropriations act of 2007-2008 is hereby amended as follows:

Sec 1: Adoption of Budget

GENERAL FUND 101:

	<u>ADOPTED</u>	<u>AMENDED</u>
<u>Revenue:</u>		
675.000 Contributions/Donations	\$2,000.	\$3,500. (increase \$1,500.)
675.002 Grants Private Source	\$14,000.	\$25,036. (increase \$12,036.)
699.010 Fund Balance	\$236139.	\$207,052 (decrease 29,087)

Expenditures

GOVERNING BODY/COMMISSION DEPARTMENT 101:

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910.000 Insurance \$15,000. \$12,915. (decrease \$2,085.)

BUILDING & GROUNDS DEPARTMENT 265:

910.000 Insurance \$15,900. \$9,900. (decrease \$6,000.)

PARKS DEPARTMENT 751:

975.003 Capital Outlay -0- \$13,536. (increase \$13,536.)

CIVIL CENTER DEPARTMENT 758:

931.000 M&R Building \$1,300. \$9,385. (increase \$8,085.)

TRANSFERS OUT-CONTROL-DEPARTMENT 965:

999.247 Transfer to TIFA Fund -0- \$29,087. (increase 29,087.)

TIFA FUND 247:

Revenues:

403.001 Taxes Tifa \$260,000 \$199,288. (decrease 60,712)

694.000 Miscellaneous \$1,000. \$2,500. (increase 1,500.)

699.000 Transfer In -0- \$29,087. (increase 29,087.)

Expenditures:

726.000 Supplies \$3,000. \$5,000 (increase 2,000.)

801.000 Professional & Contractual \$10,000. \$275. (decrease 9,725.)

818.013 Contractual Ser/Solid Waste \$500. -0- (decrease 500.)

818.006 Contractual Ser./Downtown \$7,000. \$2,200. (decrease 4,800.)

821.000 Engineering \$9,500. -0- (decrease 9,500.)

860.000 Travel & School \$500. -0- (decrease 500.)

880.002 Promotion \$500. -0- (decrease 500.)

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900.000 Publishing	\$600.	-0- (decrease 600.)
927.000 Sewer & Water Bldg.	\$2,000.	\$2,500. (increase 500.)
931.010 M&R General	\$8,000.	\$4,000 (decrease 4,000.)
943.000 Eqpt. Rental	\$2,500.	\$1,000. (decrease 1,500.)
977.000 Eqpt. Other	\$1,000.	-0- (decrease 1,000.)

ROLL CALL VOTE:

AYES: SYMONDS, POSTMA, KLOOSTER, FISHER AND BENNETT

NAYS: MOES AND TIMMONS

ABSENT: NONE

ABSTAIN: NONE

ADOPTED: 05-06-08

PUBLISHED: 05-21-08

EFFECTIVE: 05-28-08

Moes questioned where the Fire Chief's position and additional gas prices were in this amendment.

Postma stated there were amendments that were already done for the current budget.

ITEM #21 Ordinance 204 Fiscal Year 2008/2009 Proposed Budget

Mayor Bennett informed the Commission they had a choice to adopt the budget presented to the Commission by Commissioner Moes or the proposed budget that was presented in their Commission Books.

Commissioner Moes stated she was not asking for the Commission to adopt her proposed budget but to have it looked at by the Commission.

Moes also stated she did not see the Fire Chief's position in this current budget.

Bennett stated this subject has been discussed but hasn't been proposed yet to adopt in this budget.

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Moes proposed the Fire Chief's position be adopted for this new budget, at the last Commission meeting this position was discussed and felt that not many cuts had been made.

Commissioner Postma stated more research needed to be done regarding the Fire Chief's position and this could be done by a budget amendment at a later date.

Commissioner Timmons stated he didn't see any of the cuts that were made in this proposed budget.

Treasurer Moreau stated the proposed budget which is presented in the Commission books show all the cuts with the correct figures made at budget work sessions.

The following ordinance was offered for adoption by Postma, second by Symonds:

**ORDINANCE #204
CITY OF EAST JORDAN
FISCAL YEAR 2008/2009 ADOPTED BUDGET
CITY COMMISSION MEETING MAY 6, 2008**

The City of East Jordan Hereby Ordains:

Section 1: Adoption of Budget

The Michigan Department of Treasury Uniform Budget Manual (August 2001) Section 16 Budget (General Appropriations Act) states a line item budget is not required therefore this budget is adopted as presented by the activity. The revenues and expenditures for the fiscal year commencing on July 1, 2008 and ending June 30, 2009 are hereby appropriated on a major organizational unit basis summarized as follows:

MAJOR GOVERNMENTAL FUND

PLANNED EXPENDITURES – GENERAL FUND

Governing Body/Commission.....	\$ 29,745.
Administrator.....	\$ 80,414.
Elections.....	\$ 11,100.
Assessor.....	\$ 34,000.
Attorney/Counsel.....	\$ 26,404.
Clerk.....	\$112,926.

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Board of Review.....	\$ 1,742.
Treasurer.....	\$106,942.
Data Processing/Computer Dept.....	\$ 20,015.
Building and Grounds.....	\$111,323.
Cemetery.....	\$ 52,303.
Police Department.....	\$465,555.
Fire Department.....	\$101,148.
Zoning Board/Commission.....	\$ 11,628.
Department of Public Works.....	\$ 164,497.
Airport.....	\$ 21,304.
Street Lighting.....	\$ 44,000.
Brownfield Redevelopment.....	\$ 250.
Recreation/Parks Department.....	\$ 88,087.
Community & Skate Parks Department.....	\$47,572.
Elm Pointe Recreation Facility.....	\$ 24,832.
Civic Center Recreational Facility	\$ 28,355.
Sidewalks.....	\$ 26,129.
Transfer Out Control.....	\$ 61,544.

Total General Fund Expenditures \$1,671,815.

ANTICIPATED REVENUE – GENERAL FUND

Property Tax.....	\$1,158,306.
Misc. Tax Income.....	\$ 13,030.
Tax Collection Fees.....	\$ 15,200.
State Revenue.....	\$ 270,000.
State Liquor Control.....	\$ 3,000.
State Grant Others.....	\$ 1,350.
Grants Private Source.....	\$ 20,000.
Cable Franchise Fee.....	\$ 21,500.
Permits.....	\$ 10,000.
Township Contracts.....	\$ 46,200.
Airport User Fees.....	\$ 900.
Cemetery Fees.....	\$ 9,000.
Interest.....	\$ 24,000.
Rentals.....	\$ 6,001.
Rebates.....	\$ 4,500.
Miscellaneous.....	\$ 13,005.
Operating Transfers In.....	\$ 42,000.
Sand Salt Reimbursement.....	\$ 8,000.
Sidewalk Receipts.....	\$ 6,000.

Sub Total General Fund Revenue \$1,671,992.

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Use of Funds on Hand (General Fund)..... \$ -0-

Total General Fund Revenue \$1,671,992.

MAJOR GOVERNMENTAL FUND

PLANNED EXPENDITURES – MAJOR STREET FUND

Major Streets.....\$245,584.

Total Major Street Fund Expenditures \$245,584.

ANTICIPATED REVENUE – MAJOR STREET FUND

Major Streets Fund.....\$163,550.

Major Streets Fund Balance.....\$ 82,034.

Total Major Street Fund Revenue \$245,584.

MAJOR BUSINESS TYPE FUNDS

EXPENSE REVENUE

Ambulance Fund.....	\$546,639.	\$565,800.
Ambulance Fund Balance.....		\$233,624.
Harbor Fund.....	\$188,618.	\$160,183.
Harbor Fund Balance.....		\$993,568.
Transfer Station.....	\$ 56,680.	\$ 54,250.
Transfer Station Fund Balance.....		\$ 64,882.
Tourist Park Fund.....	\$140,823.	\$123,350.
Tourist Park Fund Balance.....		\$ 37,125.
Sewer Fund.....	\$400,797.	\$412,198.
Sewer Fund Fund Balance.....		\$2,596,995.
Water Fund.....	\$539,733.	\$566,023.
Water Fund Fund Balance.....		\$1,265,314.

INTERNAL SERVICE FUND

Equipment Fund	\$468,809.	\$469,450.
Equipment Fund Fund Balance		\$370,317.

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MAJOR GOVERNMENTAL FUND

<u>TIFA FUND</u>	<u>EXPENSE</u>	<u>REVENUE</u>
Tifa Fund	\$252,296,	\$252,296.
Tifa Fund Fund Balance		\$ 217.

CAPITAL PROJECT FUNDS

Tifa Construction Fund.....	\$135,000.	\$135,000.
Tifa Construction Fund Balance.....		\$ -0-
Tifa-MSHDA Project Fund.....	\$640,000.	\$640,000.
Tifa-MSHDA Project Fund Balance.....		\$ -0-

NON-MAJOR GOVERNMENTAL FUND

DEBT SERVICE FUNDS

	<u>EXPENSE</u>	<u>REVENUE</u>
DDA 1997A Debt Retirement Fund.....	\$ 79,525.	\$ 79,525
DDA 1997A Debt Ret. Fund Fund Balance		\$ 98.
1998 DDA Debt Retirement Fund.....	\$ 74,494.	\$ 74,494.
1998 DDA Debt Ret. Fund Fund Balance		\$ 100.
2003A DDA Bond Debt Fund.....	\$ 29,765.	\$ 29,765.
2003A DDA Bond Debt Fund Fund Balance		\$ 99.
2004 DDA M-66 Bike Path Bond Debt Fund.....	\$ 12,925.	\$ 12,925.
2004 DDA M-66 Bike Path Bd Dt Fund Fd Balance		\$ 100.

Section 2: Millage Levy to Support Budget

The Property Tax Millage Rate to support the 2008/2009 budget will be 18.2401 mills or less, subject to Michigan State Tax Statutes and will be levied as follows:

General Operations:	17.7953 mills (or less)
Fire Equipment:	.4448 mills (or less)

Section 3: User Fee Increases Over Prior Year to Support Budget
(effective 07/01/08 unless noted otherwise)

Water and Sewer Rates:	<u>Current</u>	<u>Proposed</u>
Water OM &R (all users)	\$2.87/100 c.f.	\$2.92/100 c.f.
Debt Retirement	\$1.60/100 c.f.	\$1.55/100 c.f.

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Sewer OM & R	\$3.85/100 c.f.	\$3.95/100 c.f.
Sewer Debt	\$.71/100 c.f.	\$.72/100 c.f.

All other current rates are to remain the same.

AYES: POSTMA, KLOOSTER, SYMONDS AND BENNETT

NAYS: MOES, TIMMONS AND FISHER

ABSENT: NONE

ADOPTED: 05-06-08

PUBLISHED: 05-21-08

EFFECTIVE: 05-28-08

ITEM #22 Ordinance 205, Ordinance to Amend Section 13 of the City of East Jordan Code of Ordinances Entitled Waterfront Zoning District.

Administrator White stated this was the final adoption of the ordinance to allow banks with drive thru's in the Waterfront Zoning District.

The following motion was offered for adoption by Fisher, second by Symonds:

ORDINANCE #205

AN ORDINANCE TO AMEND SECTION 13 OF THE CITY OF EAST JORDAN
CODE OF ORDINANCES ENTITLED WATERFRONT ZONING DISTRICT

The City of East Jordan Ordains:

Section 13.01. Purpose.

The waterfront district recognizes the unique nature of waterfront property and the relationship of that property to the city as a whole. Land use within the waterfront district should enhance the economic, social and recreational opportunities for the residents of the city and for visitors. The scale of structures in density should be maintained to prevent the view being obscured and allow for pedestrian access throughout the district from the city, so that automotive, pedestrian and visual access to the waterfront can be made available to the public wherever possible. The permitted principal, special and accessory uses in this district should relate to the establishment of a waterfront atmosphere and character of development of buildings and landscapes.

Section 13.02. Permitted principal uses.

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Antique shops.
Art merchandising studios and craft shops.
Bakeries.
Banks, credit unions, savings and loan associations.
Barber and beauty shops.
Bicycle stores.
Boat or yacht clubs and related facilities.
Candy/confectionery shops.
Clothing shops.
Condominium residential projects.
Delicatessens.
Drug stores.
Florists.
Gift and novelty shops.
Harbormaster and harbor management facilities.
Hotels.
Ice cream stores.
Interior decorator shops.
Jewelry stores.
Marinas and related facilities for recreational boating, including boat rentals, boat cruises, boat and sales equipment, boat maintenance and repair.
Motels.
Music stores.
Novelty and souvenir shops.
Optical goods stores.
Parks, beaches and water related sports facilities.
Party stores.
Pedestrian walkways and promenades.
Photographic equipment, supply and studios.
Professional health care services on second floor.
Public buildings.
Recreational fishing facilities, including private and charter fishing boats, fishing equipment and bait sales.
Restaurants.
Single-family residences, provided that all dimensional requirements of the R-1 zoning district, (sections 5.02 and 5.06) are met.
Video equipment sales, rentals and service stores.
(Res. of 11-20-90; Res. No. 106/1993, 3-2-93)

Section 13.03. Prohibited principal and accessory uses.

Amusement parks, miniature golf courses and circus type facilities and activities.
Commercial fishing including bulk handling, processing, storage and wholesale sales of fish and fish products.

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Section 13.04. Permitted principal special uses with conditions.

Offices and dwelling units are permitted.

Motel rooms may be used as dwelling units for nine months in any 12-month period. (Ord. No. 142G, § 8, 10-15-96)

Drive-in retail and service establishments in accordance with the provisions of article XVII, "Special Uses" for this use.

Section 13.05. Permitted accessory uses.

Normal accessory uses to all "permitted principal uses."

Normal accessory uses to all "permitted principal special uses."

Section 13.06. Dimensional requirements, except as otherwise specified in this ordinance.

- A. Lot area: No minimum lot area required.
- B. Lot width: The minimum lot width at the building setback line shall be 40 feet.
- C. Lot coverage: Maximum of 75 percent.
- D. Yard and setback requirements:
 - 1. Street front yard: The minimum required front yard setback from the street right-of-way line shall be 30 feet.
 - 2. Waterfront yard: The minimum required waterfront yard setback from the established shoreline shall be 50 feet.
 - 3. Side yards: The minimum required side yards shall be ten feet on each side of the principal structure, except when adjacent to a residential lot, parcel or district 20 feet shall be required. No side yards shall be required when adjacent commercial uses are constructed on the property line and are attached by a common wall.
 - 4. Rear yard: The minimum required rear yard shall be 25 feet, except when adjacent to a residential lot, parcel or district 40 feet shall be required.
- E. Height limitations: Maximum of three stories or 35 feet, except that detached accessory structures shall not exceed 15 feet.
- F. Width and length limitations: The purpose of limiting width and length of structures is to maintain a small community character and scale while still permitting reasonable development as well as preserving the view of Lake Charlevoix to the extent possible from inland areas, buildings and structures.
 - 1. Width--Maximum of 60 feet.
 - 2. Length--Maximum of 100 feet.

Section 13.07. Site development requirements.

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- A. The outdoor storage of goods, materials, trash and garbage is not permitted, except as provided in section 19.19.
- B. Off-street parking requirements shall be in accordance with article XX.

Roll Call Vote:

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

NAYS: NONE

ABSENT: NONE

ABSTAIN: NONE

ADOPTED: 05-06-08

PUBLISHED: 05-21-08

EFFECTIVE: 05-28-08

ITEM #23 Tourist Park/Elm Pointe Rental

Commissioner Timmons requested additional information regarding this item.

Administrator White reviewed his memo presented to the Commission regarding this item and stated the Tourist Park Building had been double booked for the same date.

White also stated the memo presented to the Commission was his solution to the double booking.

Motion offered by Fisher, second by Symonds to approve the Elm Pointe rental request for Susan Kline.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Commissioner Moes suggested this issue be brought up at the Department Head meeting and a possible solution such as a rental being penciled in for 3 days be discussed.

Tinea Spence addressed the Commission regarding the issue as she was one of the parties involved in the double booking.

Moes felt it was lack of communication.

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ITEM #24 Appointments Committee

Commissioner Symonds stated the Appointments Committee had met previously regarding an application they had received for the Planning Commission.

Symonds stated the Appointments Committee recommended appointing Mark Robinson to the Planning Commission.

Motion offered by Postma, second by Fisher to appoint Mark Robinson to the Planning Commission.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Commissioner Postma stated the Appointments Committee is trying to fill many of the vacant positions on the various boards and commissions and informed anyone interested to fill out an application at City Hall.

ITEM #25 DDA Update

Mayor Bennett stated the DDA is looking for sponsors for the planters on Main Street and they have mailed a letter to local businesses and citizens. If you are interested in helping sponsor or planting flowers at the end of the month, contact the DDA.

ITEM #26 Administrator's Report

ADMINISTRATOR'S REPORT
May 6, 2008

1. Huntington Bank has submitted a site plan to construct a new branch bank to the west of their current location. The Planning Commission will review the site plan at the May meeting and the special use permit at its June meeting should the special use ordinance change be adopted by the City Commission.
2. The City has been notified that the State is now enforcing the requirement that launch fees be charged at any boat launch using grant funding. The Parks Director is researching the different options which can be used for payment and also when the fees are required to be put in place. As I get more information on this issue, I will let the Commission know.
3. At the last commission meeting, Mr. Gerald Haan requested a PILOT from the City for an Apartment Complex on land he is going to purchase from the East Jordan District Library. The attached e-mail was sent to you with

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additional information on the proposed project. As stated at the last meeting, Mr. Haan is requesting direction from the Commission so he can look in to tax credits from MSHDA.

White stated he had 2 additional items that needed to be addressed regarding the new EMS Ambulance purchased through the USDA.

White stated the first item is an adoption of a legal service agreement which needs to be acted on and Attorney Beatty has agreed to do the agreement as part of his legal services at an hourly rate of \$50.00.

White also stated he would need a motion to set a public hearing for the next commission meeting to discuss the Ambulance purchase and receive any public comments.

Motion offered by Postma, second by Timmons to adopt the legal services agreement for the Ambulance purchase.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Postma, second by Klooster to hold a public hearing on May 20, 2008 at 7:30 p.m. to receive public comments and hold discussion on the Ambulance purchase.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

ITEM #27 Mayor's Report

No items to report.

ITEM #28 Attorney's Report

No items to report.

ITEM #29 Commissioners

Commissioner Moes requested her budget proposals to be placed on the next Commission agenda for discussion and possible cuts.

Moes also requested that a re-evaluation of the City Administrator, either in closed or open session, be placed on the agenda for discussion and to do a mid-term re-evaluation and discuss some concerns.

Commissioner Klooster questioned the status of the dredge project.

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Administrator White stated recently there was an issue with a bad fuel pump but it has been fixed and is now working well.

Commissioner Timmons stated he would like to encourage the Commission to do any investigations as a whole as they can become costly and discuss issues in the meetings first then proceed.

Timmons also apologized to some of the department heads regarding a comment he made regarding the proposed wages as his concerns come from examples given earlier by Commissioner Moes and he feels these things need to be looked at and evaluated.

Commissioner Fisher stated during his 6 months on the Commission, he feels nothing has been accomplished and he apologized to the citizens.

Fisher also questioned why the books haven't been ready by 12:00 p.m. on Friday afternoons.

White stated minutes needed to be finished.

Fisher also questioned why they aren't accurate most of the time, they should include what was said not what was lead to have been said.

Neil Booze addressed the commission regarding this issue and stated that on two occasions minutes have been asked to be amended and neither has been put in correctly or in the official minutes.

Attorney Beatty clarified Commissioner Fishers concern was amendments from the first meeting were not shown in the first or second meeting minutes.

Beatty stated the amendments need to be requested in the minutes of the meeting the amendment was passed and that portion should be abstracted to the prior meeting minutes with a "Clerk's Certification" stating this is a certified copy of the amendment.

Mayor Bennett adjourned the meeting at 11:00 p.m.

Respectfully,

Daniel G. Bennett
Mayor

Cheltzi M. Wilson
Deputy Clerk