

ALPENA CITY COUNCIL MEETING

January 22, 2019 – 6:00 p.m.

AGENDA

1. Call to Order.
2. Pledge of Allegiance.
3. Modifications to the Agenda.
4. Approve Minutes – Open and Closed Sessions of January 7, 2019; and Special Session of January 14, 2019.
5. Citizens Appearing Before Council on Agenda and Non-Agenda Items (Citizens Shall be Allowed a Maximum of Five (5) Minutes Each to Address Their Concerns. This is the Only Time During a Council Meeting that Citizens are Allowed to Address the Council).
6. Consent Agenda.
 - A. Bills to be Allowed, in the Amount of \$512,551.76.
 - B. Resolution Acknowledging Friends of Plaza Pool as a Nonprofit Organization Operating in the Community for the Purpose of Obtaining Charitable Gaming Licenses.
7. Presentations.
8. Announcements.

A Meeting of the Alpena County Intergovernmental Council Will Take Place on Thursday, January 31, 2019, at 7 p.m. at the Wilson Township Hall Located at 3746 King Settlement Road.
9. Mayoral Proclamation.

Thunder Bay International Film Festival Week, January 20-27, 2019.
10. Public Hearing.
11. Report of Officers.

Resolution 2019-01 Authorizing the Imposition of a 1% Administration Fee on All Property Taxes Collected in the City of Alpena.
12. Communications and Petitions.

Medical and Recreational Marijuana Facilities Update and Discussion.
13. Unfinished Business.
14. New Business.
 - A. Hot Mixed Asphalt Patching Program Contract Renewal Recommendation.
 - B. Long Distance Transfer Ambulance Remount.

15. Adjourn to Closed Session to Discuss Water/Sewer Litigation.
16. Return to Open Session.
17. Adjourn.

Greg E. Sundin
City Manager

COUNCIL PROCEEDINGS

January 7, 2019

The Municipal Council of the City of Alpena met in regular session at City Hall on the above date and was called to order at 6:00 p.m. by the Mayor.

Present: Mayor Waligora, Councilmembers Nowak, Nielsen, Johnson and Hess.

Absent: None.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

MINUTES

The minutes of the open and closed sessions of the December 17, 2018 meeting were approved as printed.

CONSENT AGENDA

Moved by Councilmember Nowak, seconded by Councilmember Nielsen, that the following Consent Agenda items be approved:

1. Bills Allowed – in the Amount of \$391,494.00 be Allowed and the Mayor and City Clerk Authorized to Sign Warrant in Payment of Same.
2. Collection of 2019 Property Taxes for Alpena Public Schools.

Carried by unanimous vote.

UPDATE ON WATER/SEWER LITIGATION

Moved by Councilmember Nowak, seconded by Councilmember Johnson, to receive and file the City of Alpena's Press Release on Water/Sewer Litigation.

Carried by unanimous vote.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Moved by Councilmember Nowak, seconded by Councilmember Johnson, that the Comprehensive Annual Financial Report (CAFR) – Fiscal Year Ended June 30, 2018 as completed by Phil Straley and Mark Sandula be received and filed.

Carried by unanimous vote.

GRAVEL AGGREGATE RENEWAL RECOMMENDATION

Moved by Councilmember Nowak, seconded by Councilmember Nielsen, to renew the Gravel Aggregate Contract to Specification Stone Products.

Carried by unanimous vote.

RECESS

The Municipal Council recessed at 6:43 p.m.

RECONVENE – CLOSED SESSION

Moved by Councilmember Johnson, seconded by Councilmember Hess, that the Municipal Council adjourn to closed session at 6:51 p.m. to discuss water and sewer litigation.

Carried by unanimous vote.

RECONVENE – OPEN SESSION

On motion of Councilmember Nowak, seconded by Councilmember Johnson, the Municipal Council reconvened in open session at 7:46 p.m.

Carried by unanimous vote.

On motion of Councilmember Nowak, seconded by Councilmember Johnson, the Municipal Council adjourned at 7:46 p.m.

MATTHEW J. WALIGORA
MAYOR

ATTEST:

Anna Soik
City Clerk

COUNCIL PROCEEDINGS**January 14, 2019**

The Municipal Council of the City of Alpena met in special session at the APlex on the above date and was called to order at 10:01 a.m. by the Mayor.

Present: Mayor Waligora, Mayor Pro Tem Johnson, and Councilmembers Nielsen, Nowak, and Hess.

Absent: None.

CLOSED SESSION

Moved by Councilmember Nowak, seconded by Mayor Pro Tem Johnson that the Municipal Council adjourn to a closed session.

Carried by unanimous vote.

Councilmembers Nowak, Nielsen and Hess exited the meeting at 10:02 a.m.

OPEN SESSION

On motion of Mayor Pro Tem Johnson, seconded by Councilmember Nowak (via phone) the Municipal Council reconvened in open session at 6:03 p.m.

Carried by votes as follows: Ayes: Mayor Waligora, Mayor Pro Tem Johnson, and Councilmember Nowak. Nays: None.

On motion of Mayor Pro Tem Johnson, seconded by Councilmember Nowak (via phone) the Municipal Council adjourned at 6:03 p.m.

MATTHEW J. WALIGORA
MAYOR

ATTEST:

Anna Soik
City Clerk

INVOICE REGISTER

Page: 1/3

EXP CHECK RUN DATES 01/23/2019 - 01/23/2019

UNJOURNALIZED

OPEN - CHECK TYPE: PAPER CHECK

6.A.

| VENDOR | INVOICE # | DESCRIPTION | AMOUNT |
|-----------------------------------|----------------|--------------------------------|-----------|
| AIRGAS USA LLC | 9083670447 | VEH MAINT - DPW | 43.98 |
| AIRGAS USA LLC | 9083769670 | SUPPLIES - AMB DISP | 47.92 |
| AIRGAS USA LLC | 9958517926 | VEH MAINT - DPW | 75.90 |
| AIRGAS USA LLC | 9958541195 | SUPPLIES - AMB DISP | 20.70 |
| ALPENA AGENCY INC | 38096 | INSURANCE - GENERAL | 12,518.00 |
| ALPENA AREA CHAMBER OF COMM | 17273 | TARGET FY 18-19 EDC SVCS | 20,000.00 |
| ALPENA AREA CHAMBER OF COMM | 17293 | MEMBERSHIP INVESTMENT - DDA | 1,500.00 |
| ALPENA COUNTY TREASURER | 682 | GIS UPDATE FEE - ASSESSOR | 100.00 |
| ALPENA COUNTY TREASURER | 011419 | IT CONTRACTED SVCS 01/19 | 7,803.00 |
| ALPENA COUNTY TREASURER | 121818 | REFUND TAXES - BD OF REVIEW | 109.83 |
| ALPENA DIESEL SERVICE | 59459 | VEH MAINT #23 | 20.61 |
| ALPENA DIESEL SERVICE | 59520 | VEH MAINT - FIRE EQ | 170.44 |
| ALPENA DIESEL SERVICE | 59540 | VEH MAINT - FIRE EQ | 47.09 |
| ALPENA DIESEL SERVICE | 59547 | VEH MAINT - FIRE EQ | (34.66) |
| ALPENA POWER COMPANY | 012319 | ELECTRIC | 28,806.99 |
| ALPENA SUPPLY CO | S100125186.001 | MAINT - WATER | 19.39 |
| ALPENA SUPPLY CO | S100128831.001 | MAINT - WATER | 19.39 |
| ALPENA SUPPLY CO | S100131255.001 | CHEMICALS - SEWAGE | 1,002.00 |
| ALPENA SUPPLY CO | S100131256.001 | CHEMICALS - SEWAGE | (132.00) |
| ALPENA SUPPLY CO | S100131759.001 | SUPPLIES - PUBLIC WORKS | 186.43 |
| ALPENA SUPPLY CO | S100132624.001 | VEH MAINT #46 | 78.24 |
| ALPENA SUPPLY CO | S100133516.001 | SUPPLIES - FIRE/AMB | 26.10 |
| ALPENA SUPPLY CO | S100133578.001 | SUPPLIES - FIRE/AMB | 12.64 |
| ALPENA SUPPLY CO | S100133664.001 | SUPPLIES - FIRE/AMB | 12.39 |
| ALPENA SUPPLY CO | S100134209.001 | SUPPLIES - CEMETERY | 4.14 |
| ALPENA TOWNSHIP | 122818 | REIMB GARAGE NATURAL GAS - AMB | 27.27 |
| ALPENA TOWNSHIP | 011019 | REIMB GARAGE NATURAL GAS - AMB | 60.87 |
| ALRO STEEL CORP | IL52825AL | VEH MAINT #49 | 51.84 |
| AMERICAN MESSAGING | Z2535843TA | PAGER FEES | 35.55 |
| ANDREW MARCEAU | 010319 | TRAVEL EXPENSE - AMB | 102.94 |
| ANDREW WILLIAMS | 011419 | TRAVEL EXPENSE - AMB | 77.96 |
| ANNE GENTRY | 011619 | REIMB CELL PHONE EXP - DDA | 120.00 |
| AXON ENTERPRISE INC | SI1568715 | SUPPLIES - POLICE | 1,509.00 |
| AXON ENTERPRISE INC | SI1569076 | SUPPLIES - POLICE | 1,310.00 |
| BALL TIRE & GAS INC | 159081 | VEH MAINT - CAR 2 | 181.50 |
| BALL TIRE & GAS INC | 159163 | VEH MAINT #17 | 189.04 |
| BALL TIRE & GAS INC | 159465 | VEH MAINT - POLICE | 663.64 |
| BALL TIRE & GAS INC | 159739 | VEH MAINT - CEMETERY | 15.00 |
| BEDROCK CONTRACTING & | CONC 2018-04 | 2018 CITY CONCR PROG | 14,658.50 |
| BERG ASSESSING & CONSULTING INC | 2876 | POSTAGE - ASSESSMENT NOTICES | 1,000.00 |
| BOUND TREE MEDICAL LLC | 83058148 | SUPPLIES - AMB DISP | 596.90 |
| BP | 55108529 | GAS/FUEL - FIRE/AMB/EQ/MICU | 8,789.89 |
| CARQUEST AUTO PARTS | 366739 | VEH MAINT - CAR 2 | 18.33 |
| CARQUEST AUTO PARTS | 366769 | VEH MAINT #62 | 4.44 |
| CARQUEST AUTO PARTS | 366941 | VEH MAINT - POLICE | 13.03 |
| CARQUEST AUTO PARTS | 366943 | VEH MAINT - DPW | 73.79 |
| CARQUEST AUTO PARTS | 366974 | VEH MAINT #56 | 7.06 |
| CARQUEST AUTO PARTS | 367318 | VEH MAINT - AMB | 34.65 |
| CARQUEST AUTO PARTS | 367328 | VEH MAINT - DPW | 38.21 |
| CARQUEST AUTO PARTS | 367396 | VEH MAINT - FIRE EQ | 10.39 |
| CARQUEST AUTO PARTS | 367604 | VEH MAINT - ECHO 7 | 42.06 |
| CARQUEST AUTO PARTS | 367818 | VEH MAINT #46 | 6.37 |
| CARQUEST AUTO PARTS | 367822 | SUPPLIES - FIRE | 33.11 |
| CARQUEST AUTO PARTS | 367861 | VEH MAINT - ECHO 6 | 118.58 |
| CARQUEST AUTO PARTS | 367978 | VEH MAINT - DPW | 12.17 |
| CARQUEST AUTO PARTS | 368056 | VEH MAINT - AMB | 8.36 |
| CARQUEST AUTO PARTS | 368150 | VEH MAINT - DPW | 58.90 |
| CARQUEST AUTO PARTS | 368334 | VEH MAINT #39 | 9.48 |
| CITY OF ALPENA | 10344-001 1218 | SEW/WATER - DDA | 48.03 |
| CNA SURETY | 61254761 | 01/19 BOND - DDA | 126.00 |
| COMPASS MINERALS | 365626 | STORES - ROAD SALT | 20,527.96 |
| CONTROL SOLUTIONS INC | 7600 | BLDG MAINT - POLICE | 347.92 |
| DE LAGE LANDEN FINANCIAL SERVICES | 61951041 | COPIER LEASE 02/19 - DDA | 56.55 |
| DEAN ARBOUR FORD LINCOLN MERCURY | 26597 | VEH MAINT - AMB | 293.12 |
| DEAN ARBOUR FORD LINCOLN MERCURY | CM26597 | VEH MAINT - AMB | (33.97) |
| DTE ENERGY | 012319 | GAS | 12,929.53 |
| EAGLE ENGINEERING & SUPPLY CO | 50177 | MAINT - LIGHTS | 151.20 |
| EAGLE ENGINEERING & SUPPLY CO | 50178 | MAINT - LIGHTS | 58.50 |
| EAGLE ENGINEERING & SUPPLY CO | 50179 | MAINT - LIGHTS | 323.64 |
| EAGLE SUPPLY CO | 109530 | SUPPLIES - FIRE/AMB | 209.22 |
| EAGLE SUPPLY CO | 109551 | SUPPLIES - PW/PKS | 103.50 |
| ERIC OLSON | AP18-1961C | AMBULANCE REFUND | 60.00 |

INVOICE REGISTER

Page: 2/3

EXP CHECK RUN DATES 01/23/2019 - 01/23/2019

UNJOURNALIZED

OPEN - CHECK TYPE: PAPER CHECK

| VENDOR | INVOICE # | DESCRIPTION | AMOUNT |
|-------------------------------------|-----------------|------------------------------------|------------|
| FASTENAL COMPANY | MIALP162391 | MAINT - PARKS | 15.57 |
| FASTENAL COMPANY | MIALP163298 | VEH MAINT - DPW | 57.47 |
| FRANKS KEY & LOCK SHOP INC | 28775 | SUPPLIES - CLERK/TREAS | 7.50 |
| FRANKS KEY & LOCK SHOP INC | 28890 | MAINT - PUBLIC SAFETY BLDG | 130.00 |
| FRONTIER | 2793 01/19 | TELEPHONE - POL/FIRE/AMB | 114.53 |
| FRONTIER | 4175 01/19 | TELEPHONE - FIRE/AMB | 39.08 |
| FRONTIER | 5445 01/19 | TELEPHONE - FIRE/AMB | 71.16 |
| FRONTIER | 7204 01/19 | ELEVATOR TELEPHONE - CITY HALL | 55.40 |
| FRONTIER | 7430 01/19 | ELEVATOR TELEPHONE - PUBLIC SAFETY | 55.40 |
| GALLS LLC | 011596293 | UNIFORMS - POLICE | 279.96 |
| GARANTS OFFICE SUPPLIES & PRINTING | 67740 | SUPPLIES - FIRE/AMB | 95.00 |
| GREAT LAKES FIRE & SAFETY EQUIPMENT | 69621 | BLDG MAINT - FIRE/AMB | 95.00 |
| GREAT LAKES FIRE & SAFETY EQUIPMENT | 70512 | TURNOUT GEAR/EXT MAINT - FIRE | 514.95 |
| GREENWAY | 123118 | DUMPSTER CHARGES 12/18 | 434.25 |
| HANSEN SALES & SERVICE | 31002 | VEH MAINT - DPW | (3,000.00) |
| HANSEN SALES & SERVICE | 30995 | VEH MAINT #47 | 60.24 |
| HANSEN SALES & SERVICE | 31034 | VEH MAINT #36/#38/#47 | 1,529.99 |
| HANSEN SALES & SERVICE | 31102 | VEH MAINT - DPW | 350.15 |
| HANSEN SALES & SERVICE | 31250 | VEH MAINT #39 | 334.54 |
| HANSEN SALES & SERVICE | 31260 | VEH MAINT #39 | 19.52 |
| HANSEN SALES & SERVICE | 31326 | VEH MAINT #45/#46 | 665.40 |
| HANSEN SALES & SERVICE | 31399 | VEH MAINT - DPW | 741.33 |
| HEALTH EQUITY | 012319 | HSA CONTRIBUTION CORRECTION | 120.00 |
| HELPNET EAP | 22936 | EMP ASST PROGRAM 01-03/19 | 631.20 |
| HURON HUMANE SOCIETY | 012319 | FY 18-19 CONTRIBUTION | 4,250.00 |
| INTERNATIONAL CODE COUNCIL INC | 1000990222 | SUPPLIES - BLDG | 224.00 |
| INTERSTATE BATTERY SYSTEM INC | 23411555 | VEH MAINT - POLICE | 114.95 |
| JASON ROUSE | 011319 | TRAVEL EXPENSE - AMB | 140.00 |
| JEFFERY KING | 011419 | TRAVEL EXPENSE - AMB | 86.60 |
| L & S TRANSIT MIX CO | 57649 | MAINT - CEMETERY | 38.24 |
| MASTERS & LALONDE SHOES | 45442 | UNIFORMS - FIRE/AMB | 96.00 |
| MCDONALD AUTO SUPPLY INC | 895192 | MAINT - PUBLIC SAFETY BLDG | 91.74 |
| MCDONALD AUTO SUPPLY INC | 895385 | VEH MAINT #45 | 6.91 |
| MERIDIAN CONTRACTING SERVICES LLC | 1853A | GARAGE RENOVATIONS - CEMETERY | 5,487.57 |
| MHR BILLING | 3339 | BILLING 12/18 - AMBULANCE | 6,218.95 |
| MICHAEL SANDERS | 011319 | TRAVEL EXPENSE - AMB | 126.83 |
| MICHAEL TOROK | 111519 | TRAVEL EXPENSE - AMB | 114.34 |
| MICHIGAN PIPE & VALVE | T88362 | MAINT - WATER | 858.00 |
| MICHIGAN STATE POLICE | 551-530181 | SOR REGISTRATION - POLICE | 30.00 |
| NEMCOG | 11-602-190107 | MASTER PLAN UPDATE | 985.03 |
| NEMHRA | 01308642-19 | 2019 MEMBERSHIP DUES - MGR | 100.00 |
| NEMROC INC | 27026 | SUPPLIES - CLERK/TREAS | 102.40 |
| NORTHERN MICHIGAN CODE | 4521-19 | 2019 MEMBERSHIP DUES | 100.00 |
| NORTHERN MICHIGAN CODE | 05013-19 | 2019 MEMBERSHIP DUES | 100.00 |
| NORTHERN TOOL SALES & RENTALS | 71505 | TRAFF CONTROL MAINT - MAJ/LOC ST | 15.99 |
| NORTHERN TOOL SALES & RENTALS | 71535 | SUPPLIES - FIRE/AMB | 5.00 |
| OFFICE DEPOT | 243851543001 | SUPPLIES - CLERK/TREAS | 90.99 |
| OFFICE DEPOT | 244764986001 | SUPPLIES - MGR | 32.29 |
| OFFICE DEPOT | 244765123001 | SUPPLIES - CITY HALL | 26.29 |
| OFFICE DEPOT | 251124794001 | SUPPLIES - CITY HALL | 172.72 |
| PRESQUE ISLE ELECTRIC & GAS CO | 81166373 1218 | ELECTRIC - AIR BASE | 28.55 |
| PRIORITY ONE EMERGENCY | 70047090 | VEH MAINT - FIRE/AMB | 247.31 |
| PRIORITY ONE EMERGENCY | 70048679 | UNIFORMS - FIRE/AMB | 31.99 |
| PRIORITY ONE EMERGENCY | 70048872 | UNIFORMS - FIRE/AMB | 12.99 |
| PRIORITY ONE EMERGENCY | 70049027 | UNIFORMS - POLICE | 149.98 |
| PRIORITY ONE EMERGENCY | 70049253 | UNIFORMS - POLICE | 145.98 |
| PRIORITY ONE EMERGENCY | 70049254 | UNIFORMS - POLICE | 145.98 |
| RAPID RESULTS | 8259 | YEARLY ENROLLMENT FEE | 125.00 |
| RAPID RESULTS | 8267 | DRUG/ALCOHOL SCREEN - EQ | 150.00 |
| ROGER A DORR | 1689 | COURT SERVICES/SUMMONS | 27.74 |
| ROGER A DORR | 1690 | COURT SERVICES/SUMMONS | 27.74 |
| SHELL | 6133901 | UNLEADED GAS/FUEL-POL/F/A/GEN/DPW | 1,332.56 |
| SPECIFICATION STONE PRODUCTS | 2363261 | MAINT - WATER | 78.33 |
| STANDARD ELECTRIC CO | 489151-01 | MAINT - CITY HALL | 49.04 |
| STANDARD ELECTRIC CO | 490835-00 | MAINT - CITY HALL | 9.45 |
| STANDARD ELECTRIC CO | 491375-00 | MAINT - CITY HALL | 93.85 |
| STATE OF MICHIGAN | CARE1591REIM190 | MAJ ST/SEW/WATER MAINS - MILLER ST | 143,011.52 |
| SUEZ WATER ENVIRONMENTAL SERVICES | 201835667 | CONT OPERATIONS 12/18 | 137,922.75 |
| SUEZ WATER ENVIRONMENTAL SERVICES | 201835795 | CONT OPERATIONS 12/18 | 41,419.65 |
| TED FESTERLING LLC | 7678 | VEH MAINT #39 | 1,227.87 |
| TELNET | 156003 | TELEPHONE | 399.54 |
| THE ALPENA NEWS | DA1481 12/18 | PUBLISHING/ADV - POLICE | 40.00 |

INVOICE REGISTER

Page: 3/3

EXP CHECK RUN DATES 01/23/2019 - 01/23/2019

UNJOURNALIZED

OPEN - CHECK TYPE: PAPER CHECK

| VENDOR | INVOICE # | DESCRIPTION | AMOUNT |
|---------------------------------|--------------|-----------------------------------|------------|
| THE ALPENA NEWS | DC1107 12/18 | PUBLISHING/ADVERTISING | 423.48 |
| THE ALPENA NEWS | DD8974 12/18 | PUBLISHING/ADV - DDA | 571.75 |
| THE UPS STORE 5054 | 010819 | SHIPPING FEES | 170.77 |
| THOMPSONS LINEN SERVICE | 70483 12/18 | UNIFORMS-PW/CEM/PKS/EQ | 271.68 |
| THUNDER BAY ELECTRIC INC | 227167 | CONTRACTUAL SERVICE | 483.00 |
| THUNDER BAY ELECTRIC INC | 227177 | MAINT - XMAS LIGHTS | 92.00 |
| THUNDER BAY ELECTRIC INC | 227199 | MAINT - LIGHTS | 843.99 |
| THUNDER BAY ELECTRIC INC | 227225 | TURNOUT GEAR WASHER/EXTRACTOR | 825.00 |
| THUNDER BAY ELECTRIC INC | 227253 | TRAFF SIGNAL MAINT - MAJ ST | 69.00 |
| TRUCK & TRAILER SPECIALTIES | BSO004714 | VEH MAINT - DPW | 321.54 |
| TRUE NORTH RADIO NETWORK | 33662-18 | ADVERTISING - DDA | 354.00 |
| UTILITY SERVICE CO INC | 466241 | MAINT - WATER TANKS | 9,870.72 |
| UTILITY SERVICE CO INC | 466422 | MAINT - WATER TANKS | 7,621.57 |
| VALLIN DISTRIBUTION INC | 12612735-00 | SUPPLIES - CEM/PKS/MAJ/LOC/S/W/EQ | 1,288.68 |
| VERIZON WIRELESS | 9821334088 | IPADS - GEN/FIRE/AMB | 840.21 |
| VISA/ELAN FINANCIAL SERVICES | 3610 01/19 | SUPPLIES - PROMO - DDA | 340.63 |
| VISA/ELAN FINANCIAL SERVICES | 1104 01/19 | SUPPLIES - MGR | 287.06 |
| VISA/ELAN FINANCIAL SERVICES | 6116 01/19 | TRAVEL EXP/VEH MAINT - FIRE/AMB | 214.92 |
| VISA/ELAN FINANCIAL SERVICES | 6134 01/19 | TRAINING REG/VEH MAINT - ENGR/DPW | 59.91 |
| VISA/ELAN FINANCIAL SERVICES | 7661 01/19 | 2019 MEMBERSHIP DUES - C/T | 60.00 |
| WEINKAUF PLUMBING & HEATING INC | 2486 | MAINT - PUBLIC SAFETY BLDG | 75.00 |
| WEINKAUF PLUMBING & HEATING INC | 2552 | BLDG MAINT - FIRE/AMB | 115.00 |
| WILBERT SANDBLASTING | 101118 | VEH MAINT #45 | 103.00 |
| Total: | | | 512,551.76 |



State of Michigan
Michigan Gaming Control Board
Office of the Executive Director
P.O. Box 30786
Lansing, MI 48909
Phone: (313) 456-4940
Fax: (313) 456-3405
Email: Millionaireparty@michigan.gov
www.michigan.gov/mgcb

6.B.

LOCAL GOVERNING BODY RESOLUTION FOR CHARITABLE GAMING LICENSES

(Required by MCL 432.103(k)(ii))

At a _____ meeting of the _____
REGULAR OR SPECIAL TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD

called to order by _____ on _____
DATE

at _____ a.m./p.m. the following resolution was offered:
TIME

Moved by _____ and supported by _____

that the request from Friends of Plaza Pool of Alpena,
NAME OF ORGANIZATION CITY

county of Alpena, asking that they be recognized as a nonprofit
COUNTY

organization operating in the community, for the purpose of obtaining charitable gaming licenses, be

considered for _____
APPROVAL/DISAPPROVAL

APPROVAL: Yeas: _____

DISAPPROVAL: Yeas: _____

Nays: _____

Nays: _____

Absent: _____

Absent: _____

I hereby certify that the foregoing is a true and complete copy of a resolution offered and adopted

by the _____ at a _____
TOWNSHIP, CITY, OR VILLAGE COUNCIL/BOARD REGULAR OR SPECIAL

meeting held on _____
DATE

SIGNED:

TOWNSHIP, CITY, OR VILLAGE CLERK

PRINTED NAME AND TITLE

ADDRESS

Organization Information:

ORGANIZATION'S MAILING ADDRESS, STREET, CITY, ZIP

ORGANIZATION'S PRINCIPAL OFFICER NAME AND TITLE

()

PHONE NUMBER

PROCLAMATION

WHEREAS, the Friends of the Thunder Bay National Marine Sanctuary was established October 2010, to support the mission of the Thunder Bay National Marine sanctuary – to identify, protect, conserve, and enhance the natural and maritime heritage resources, values, and qualities of the National Marine Sanctuary system for this and future generations throughout the nation; and

WHEREAS, the Thunder Bay International Film Festival, brought to the residents of Alpena through a joint effort of the International Ocean Film Festival and the Thunder Bay National Marine Sanctuary, hopes to bring a larger ocean awareness, an environment for interactive learning, and inspiration for local filmmakers; and

WHEREAS, the Thunder Bay International Film Festival will utilize the powerful form of film to communicate ocean and Great Lakes issues, and bring cultural events to Alpena and surrounding communities to inspire a shared vision of conservation of ocean and Great Lakes environments through stunning, sometimes controversial, and always conversation-starting films; and

WHEREAS, the Great Lakes Region, often considered the “Third Coast,” is a vital part of global waterways, thus making global issues our issues too; and

WHEREAS, the Thunder Bay International Film Festival explores water issues through some of the most impressive ocean and Great Lakes films from around the world, complemented by social events, educational opportunities, and discussions with award winning, nationally recognized filmmakers.

NOW, THEREFORE, I, Matthew J. Waligora, by virtue of the authority vested in me as Mayor of the City of Alpena, **DO HEREBY PROCLAIM**: the week of January 20th – 27th, 2019 as:

THUNDER BAY INTERNATIONAL FILM FESTIVAL WEEK

in the City of Alpena.

Signed at Alpena, Michigan this 22nd day of January 2019.

Matthew J. Waligora
Mayor



Memorandum

Date: January 8, 2019

To: Mayor Matthew J. Waligora
Alpena City Council Members

From: Greg Sundin, City Manager *JS*

RE: Property Tax Collection Administration Fee

With the City's General Fund stressed to meet ever increasing demands placed upon it, staff has but two options it can present to Council during the budget process. These are status quo or reductions in spending and revenue enhancement. For many years every department within the City has practiced the art of flat lining or reducing costs while maintaining basic services and maintaining and upgrading, when possible or absolutely necessary, the City's infrastructure, facilities and equipment. Revenue enhancement can be a greater challenge due to limitations imposed by the state. When an opportunity exists it is incumbent upon me to present it for Council's consideration. Such is the case of the Property Tax Collection Administration Fee that is permitted under the General Property Tax Act of 1893, as amended.

It allows a municipality to charge an administration fee of up to 1% on all real and personal property taxes collected by it. In the case of the City, since we are both the assessing and collecting entity, we are entitled to retain the entire fee. The fee is intended to "offset costs incurred by a collecting unit in assessing property values, in collecting the property tax levies, and in the review and appeal process." These costs would include the assessor (currently Berg Assessing and Consulting), Clerk's office personnel, printing and postage, computer software, etc. These fees are restricted in their use and cannot be used for other City purposes outside of those directly related to the preparation and collection of property taxes. It is estimated that the fee for both summer and winter taxes would generate at least \$90-95,000, freeing up that money in the City's General Fund, helping to preserve our Fund balance or be available for other uses. Past Councils have elected not to impose the fee, not wanting to add this cost to the taxpayer's bill. As budgets have continued to tighten, I believe we no longer have the luxury to forgo this additional revenue source available to us. In my own case the fee will add approximately \$23 to my combined winter and summer tax bills. Currently, all townships in the County except Sanborn and Wilson assess the 1% fee. In order for the fee to be implemented, Council must approve its implementation either by resolution or ordinance.

Although imposing an additional fee is not anyone's first choice, including mine, I believe ongoing budget constraints, which are not going away anytime soon, compel us to seriously consider this option. As City Manager it is my recommendation that the City impose a 1% administration fee on all summer and winter property taxes collected by the City commencing with the Summer 2019 tax bills. If Council concurs with this recommendation the attached Resolution No. 2019-01 will need to be adopted.

RESOLUTION NO. 2019-01

**A RESOLUTION AUTHORIZING THE IMPOSITION OF A 1% ADMINISTRATION FEE
ON ALL PROPERTY TAXES COLLECTED BY THE CITY OF ALPENA AS PERMITTED
BY THE GENERAL PROPERTY TAX ACT (PA 206 OF 1893, AS AMENDED)**

WHEREAS, the City of Alpena both prepares tax assessments and collects taxes on all real and personal property within the City for all taxing jurisdictions; and

WHEREAS, the General Property Tax Act (PA 206 of 1893, as amended) permits the governing body of a local property tax collecting unit to impose an administration fee of up to 1% of the total tax bill per parcel (real and personal property taxes) collected by the unit upon the adoption of a resolution or ordinance; and

WHEREAS, the administration fee is intended to offset the costs incurred by a collecting unit (the City) in assessing property values, collecting the property tax levies, and in the review and appeal processes; and

WHEREAS, the City intends to implement such a fee to reduce the burden of these costs on the City's General Fund; and

WHEREAS, if approved, the fee will be imposed commencing with the 2019 summer property taxes.

NOW THEREFORE, BE IT RESOLVED that the City of Alpena hereby approves the imposition of a 1% administration fee on all collected summer and winter property tax bills commencing with the 2019 summer tax bill.

BE IT FURTHER RESOLVED that the revenue generated by the administration fee shall be designated and restricted to pay only for those costs directly related to the assessing of property values, the collection of levied property taxes, and the review and appeal processes, and shall not be used for any other purpose.

Councilmember _____ moved to adopt the above resolution, seconded by Councilmember _____.

Ayes:

Nays:

Absent:

Resolution declared adopted.

I, Anna Soik, City Clerk of the City of Alpena, **DO HEREBY CERTIFY** that the above is a true copy of a resolution adopted by the Municipal Council at its regular meeting held January 21, 2019.

Anna Soik
City Clerk

Memorandum



Date: January 16, 2019

To: Mayor Matt Waligora and City Council

Copy: Greg Sundin, City Manager

From: Adam Poll, Planning and Development Director

Subject: Marijuana Facilities Committee Update

On December 19, the Marijuana Facilities Committee met to discuss recent changes in regards to both Medical and Recreational Marijuana laws. The Committee looked at the laws and their potential impacts on the City of Alpena.

Background/Scope: Medical marijuana has been in the City of Alpena and the rest of the State of Michigan since 2008. Recreational marijuana became decriminalized in December of 2018. The City cannot prevent the use or the growing of limited amounts of marijuana in someone's home. Other potential issues that deal with the presence of marijuana such as the difficulty of roadside testing for drivers under the influence of marijuana, the use of marijuana as a needed medicine, and the additional exposure/normalization of marijuana to youth were discussed, but the main focus of the committee are the laws themselves, and the impact on the City of Alpena as the City is given the option to opt in to medical marijuana facilities or to opt out of recreational facilities. (There is additional information regarding broader arguments of marijuana and its impacts in the attached memo from October 11, 2017 when the Committee first discussed medical marijuana facilities.)

Medical Marijuana Facilities: The Committee discussed that Michigan Medical Marijuana Facilities Licensing Act (MMFLA) and noted that commercial facilities adhering to this act have been operating in certain parts of the State since late October, and that in early December permanent rules regulating medical marijuana facilities were finally established. These rules included regulations allowing for home delivery of medical marijuana which was the most significant change from the temporary rules the system had been operating under. The committee also discussed that although some medical facilities were in operation, there were far more facilities in operation that did not meet the licensing requirements, but that the courts ruled could continue in operation because of the very slow rollout of the medical marijuana program. The committee discussed that there had not seemed to be many immediate issues associated with the medical facilities, but it was tough to observe their operations due to the overwhelming majority of facilities in operation were not in compliance with the state medical

facilities law. These non-licensed facilities were ordered to shut down by December 31 of 2018 and as of January first only licensed facilities can legally operate in Michigan.

Recreational Marijuana Facilities: The committee discussed the Michigan Regulation and Taxation of Marijuana Act (MRTMA) and noted the law was a voter initiated law and that there are a number of areas of this law that needed to be clarified by the State or would likely lead to lawsuits as the law was in many places written very broadly. The committee discussed the timeline and the fact that the State would more than likely not start processing recreational facility licenses until December of 2019 but noted the new governor could expedite that process and it would be wise for the City to be ready to take action well before that time. The Committee discussed some of the issues present in the law which are as follows:

- 1) Zoning Issues- Unlike the Medical Marijuana law, which specifically allows regulation by zoning, there does not appear to be clear language that allows a community to set zoning regulations for recreational facilities. The law does say that no facility should be allowed in an “exclusively” residential zoning district, but most communities in the state (including Alpena) allow many uses in residential districts that are not residential in nature including schools, churches, and some small scale retail uses.
- 2) A community may not set regulations that are “unreasonably impracticable” according to the law. Vague phrases like this are usually determined eventually by the courts.
- 3) A community may limit the number of facilities, but does not appear to allow the community to restrict which types of facilities. It also requires a “competitive process” to determine which applicants are awarded facilities. Generally most communities avoid competitive processes as they attract litigation from those applicants who are not selected. Most communities have utilized a lottery system or a first come first serve process for medical marijuana, but these communities would be required to generate a competitive process for recreational facilities.
- 4) The law allows “reasonable restrictions” on signage for marijuana facilities. This is in direct conflict with Reed v. Town of Gilbert AZ which is a Supreme Court case that stated content based sign regulation is not allowed. Any regulations put in place to this effect would almost certainly get struck down in court.
- 5) Whatever decision a City makes, citizens of the City can petition to initiate an ordinance with 5% of the total number that voted in the latest gubernatorial election to completely prohibit or provide for the number of marijuana establishments within a municipality. While many people believe that a citizen petition could force a City to opt in and allow marijuana facilities, the language of the law does not appear to read as such and this will have to be clarified by the courts.

It is hoped that many of these issues can be fixed prior to any licenses being issued by the State through either the State Legislature or through the State Licensing and Regulatory Affairs division, however until these issues are addressed the Committee has serious concerns with the ability to regulate these facilities.

Another issue with this law is that it does not allow a unit of government to prohibit a grower, processor, and retailer from operating within a location shared with a medical facility. While

the intent of the law seems to be to allow facilities to collocate if a City allows both medical and recreational facilities, the text as written appears to go further. As it reads, if the City opts in for medical facilities and decides to opt out for recreational facilities that City could not prohibit the medical facilities collocating with recreational facilities without being subject to a law suit. If this law is not clarified further it may allow a community a loophole to allow recreational facilities (by collocating in a medical facility), but to do so with the regulations that apply to Medical facilities. However, this approach could very well violate the “unreasonably impracticable” language as it essentially sets regulations that are not specifically allowed by the recreational facility law.

Other Considerations: The Bureau of Marijuana Regulation (BMR) has indicated that compliance to the permanent rules would be monitored by State of Michigan inspectors hired by the BMR. They have cited the need for uniform inspections and indicated they have four inspectors (at this time) for marijuana facilities around the state. With such a low number of inspectors spread out over the entire area of the State there is a chance a backlog could be created in areas further from population centers, similar to what has occurred with other types of State inspections in the past.

Revenue: If Council chooses to allow recreational facilities, fifteen percent of the revenues collected by the ten percent excise tax will be allocated to the local units of government allowing retail facilities. If Council chooses to allow only medical facilities, or to opt out of all marijuana facilities, there would be no revenue. The Committee has noted from the beginning of this process that any potential revenue would appear to be marginal, and was not a significant determining factor for their analysis.

Potential Options: If Council chooses to **not allow medical** marijuana facilities either at this time, or permanently, no action would need to be taken as the MMFLA requires a unit of government to take action in order to opt in and allow medical facilities. If Council chooses to **not allow recreational** facilities, either at this time, or permanently, an ordinance would need to be approved opting out of recreational facilities as that law requires that a unit of government to actively opt out of commercial marijuana facilities. Council could include language to review the ordinance at a certain time if they desired, or could chose to opt in at a later date at any time.

If the Council chooses **to allow** marijuana facilities, the committee feels that the current recreational law, as written, has too many flaws and would put the City at risk. The Medical Marijuana Facilities Licensing Act would be a better option at this time if Council chooses to allow marijuana facilities.

The committee would also note that despite the fact that the City can opt in and out of allowing both medical and recreational marijuana facilities at any time, once a facility is legally operating, it would not be possible to for the City to require a facility to cease operations unless the state revokes their license even if the City opts out.



What are other City's doing? With medical marijuana many units of government have not taken action and effectively opted out. A few such as Traverse City have opted in for medical facilities, but have opted out of recreational facilities for the time being, citing the lack of rules, and plan on revisiting that decision at a later date. Gaylord once had facilities but has now opted out of both medical and recreational facilities. Very few have opted in to recreational or adopted any ordinances/regulations as the rules have yet to be written.



Memorandum



Date: October 11, 2017

To: Mayor Matt Waligora and City Council

Copy: Greg Sundin, City Manager

From: Adam Poll, Planning and Development Director

Subject: Medical Marijuana law changes

Due to the State law changes that will allow the commercial sale and production of medical marijuana and the potential impact on City operations, City staff reformed the medical marijuana committee that had been originally formed in 2008. The committee was made up concerned citizens, members of the City Planning Commission and City Council, representatives from the County prosecutor's office, law enforcement, and various City staff. The committee consisted of members with diverse opinions on the topic of medical marijuana. Most committee members were able to attend a training session offered by MSU extension, and many were able to attend a training session by Ken Stecker of the prosecuting attorneys association of Michigan. In addition, the committee received a presentation from a Medical Marijuana Industry expert and one from Upnorth Prevention. The goal of the committee was to learn more about the topic of medical marijuana and determine potential impacts on the City of Alpena. Ultimately, there is a great deal of information on the topic of medical marijuana. This memo is an attempt to summarize the information.

Late in 2016, Governor Snyder signed a package of bills into law that expand the types of medical marijuana facilities that are allowed by State law. These changes allow a number of commercial uses associated with medical marijuana to occur with approval from individual municipalities, townships or villages. These commercial uses cannot apply for a license from the State until December 15, 2017. Commercial activities that could be allowed include:

Commercial Growers- Three types of licenses include growing facilities of 500, 1000, or 1,500 plants.
Processors- Extract resin and/or create marijuana infused products such as edible marijuana (medibles).
Provisioning Centers (Dispensaries)- Locations that allow for the commercial sale of medical marijuana
Secure Transporters- Transport and store marijuana
Safety Compliance Facilities- Tests marijuana for purity

The new laws do not impact primary caregivers, and the existing regulatory scheme that allows them to operate is in effect. Primary caregivers and their patients have been allowed to grow and consume medical marijuana since 2008. This is not changed by the new law. **Only the five types of commercial facilities are affected by this law.**

Every local unit of government including Cities, Townships and Villages have the option to authorize the five permitted activities. Counties do not have the option. Jurisdictions can decide which activities they want to allow, how many of each, and set zoning regulations for the allowed activities.

The State is attempting to regulate medical marijuana similarly to alcohol and has set up licensing regulations using that framework. These include seed to sale tracking as well as a variety of regulations and fees associated with any licenses.

It is important to note that marijuana is considered a Schedule 1 drug by Federal regulations and **is still illegal by Federal standards**. The State has adopted a law preventing the prosecution or penalizing qualifying patients and registered caregivers who use medical marijuana. The fact that marijuana is a schedule 1 drug complicates regulating the use. It is unclear how the federal government will handle medical marijuana in the future. As of now, it would not appear the federal government is taking any actions to restrict medical marijuana but that policy could change as long as it is considered a Schedule 1 drug. Because of its status federally, any bank that is federally insured will not handle money associated with the sale of schedule 1 drugs (including marijuana). This creates a situation where large amounts of cash are often kept onsite within these facilities. In addition, schedule 1 drugs, such as marijuana, are not permitted within 1000 feet of certain protected uses such as school, community centers, etc.

Overview- Medical marijuana facilities have been legalized in order to make it easier for qualifying patients to get a form of their medicine. There are roughly 600 medical marijuana card holders in Alpena County. The marijuana available would be required to be tested for purity by an independent lab. A tax has been applied and local governments that allow facilities will receive a portion of the revenues from that tax.

Commercial growers- These facilities allow growers to grow 500, 1000, and 1500 plants per license. These facilities would probably be enclosed to allow for year round production, and security requirements would be recommended. Although currently undetermined, it is thought that the State Licensing and Regulatory Agency (LARA) will allow the stacking of these licenses in a certain location, meaning that multiple licenses could be utilized in a single building. (One example could be a large vacant building could be utilized to grow 15,000 plants by stacking ten 1,500 plant licenses in a single location. These facilities can only be located in industrial and agriculturally zoned property. The City of Alpena does not have agriculturally zoned land so the location would be limited to industrially zoned property and further zoning requirements could be placed. One requirement for these facilities would be the use of a carbon filter system to prevent any smell associated from the growth of marijuana from reaching the public. Although the laws regulate the number of plants, plants can vary greatly in size. Marijuana plants can be quite large with the proper care, so even though the number of plants is regulated, the amount of marijuana being produced will vary greatly.

Processors- This is the facility where medical marijuana is processed into another product. This could be anything from edibles (food containing medical marijuana) to higher potency items like a wax or resin. In Colorado, processing facilities have special building and fire codes due to the preferred method of extracting the resin from marijuana utilizes butane, a highly flammable substance. If processing facilities are allowed, it is recommended that special building and fire codes are in place for these facilities and an appropriate zoning district is required. In addition, most county health departments will not inspect medical marijuana facilities, so some units of government are requiring third party inspections to ensure any food products are being handled safely and per food industry standards.

Provisioning Center- (aka dispensary) This is a commercial storefront that allows individuals with a medical marijuana card to purchase medical marijuana. This is the only commercial location where the public would have any interaction with medical marijuana. LARA recently ruled that they would allow medical marijuana to be grown, processed, and sold at the same location. The stipulations LARA has in place is that the locations must have licenses for each facility at a location, the facilities must have separate working areas, means of egress, and record keeping for each license, and they must be in conformance with local zoning, fire and building codes.

Testing facility- A facility that tests the purity and potency of medical marijuana. Generally these facilities would receive small batches of medical marijuana and run the appropriate tests to ensure the product is safe.

Secure Transporter- Medical Marijuana can only legally be moved utilizing a secure transporter until it is sold to a patient at a provisioning center. Ultimately secure transporters can operate within a municipality, but allowing this facility would allow them to locate their office and what is expected to be their warehouse in a local unit of government. Due to federal anti-drug laws, secure transporters cannot possess firearms while moving medical marijuana. This often creates a convoy system where multiple vehicles are utilized, one carrying medical marijuana, and the next carrying armed personnel. By law, secure transporters must file their routes with local law enforcement.

The case for medical marijuana- Medical marijuana is legal and has been since 2008. If these facilities are not allowed, medical marijuana will continue to operate as it has. Many users have indicated that medical marijuana allows for the treatment of maladies that other medicine cannot help with. Some attendees listening to the medical marijuana committee indicated that the use of medical marijuana has allowed them to stop taking prescription opioids for pain. In addition, there is a strong likelihood that recreational use of marijuana will be on the ballot next November, and early polls show a likelihood that measure has is likely to pass.

Argument to allow facilities- In 2008 voters in the State approved the use of medical marijuana with 63% of the votes in favor of medical marijuana (57% in Alpena County). Allowing these facilities would enable patients to reliably, and safely obtain their medicine. It has been suggested that allowing these facilities would give the local unit of government a progressive image. It would also provide limited funding to the municipality. Estimates have been made as high as \$20,000 might be generated annually from each facility that a local unit of government provides. So if a government allows one of each facility, they could receive \$100,000 annually from the tax. New facilities constructed would also pay property taxes to the local unit of government. The argument has also been made that if medical marijuana facilities are allowed and controlled that it will reduce the black market for marijuana. Some medical marijuana users have stated that the existing system of qualified patients obtaining their marijuana from a primary caregiver is difficult as they can only get their marijuana from a single individual who may go on vacation or have a crop failure leaving the qualifying patient without a source of medical marijuana.

Argument against the facilities- Potential issues were brought up regarding medical marijuana itself and other more specific problems that could be created. One of the issues brought up in committee conversations was that allowing medical marijuana facilities would normalize marijuana for the youth, allowing them to perceive it as socially acceptable. Safety of the public was another concern, large amounts of marijuana and cash would be present and provide a target for crime. The black market is also a concern. With more marijuana available, there would be more that could make its way to the black market. A question was asked as to why other prescription medicine gave a certain dose and frequency

for the patient to take the medicine while medical marijuana does not indicate a specific amount or frequency leading some to question its use as a medicine.

There was concern regarding the impact on local law enforcement in regards to people driving under the influence of marijuana. There is no simple way to test for marijuana short of a blood test, which cannot be administered from a mobile location such as a vehicle. The issues of marijuana being a schedule 1 drug per federal standards also complicates the issue as there is potential the federal government could take a stance against marijuana. The image of the City was also brought up, that allowing these facilities could cast a negative image on the City. Finally, there was concern regarding the regulation by the State. There appear to be a number of questions that LARA has not yet been able to answer, and concern was expressed that other (non-medical marijuana) programs implemented by the State have not been well executed initially, and that there may be issues that the State has not foreseen or addressed. The estimate of financial impact might also be overstated as only \$7,500 would be returned to a municipality for every \$1,000,000 in retail sales. Law enforcement has indicated there is serious potential that additional staff may be needed and that staff time cost would be greater than the proposed payment received.

What are other local governments doing? Every government is different and many have reacted differently. Some governments are allowing all types of facilities- (East Lansing, Detroit, Pinconning Township, Oscoda Township) Some are allowing all facilities except provisioning centers with the thought that most potential negative issues will come from provisioning centers- (Manistee, Marshall) Some governments are taking action to not allow any facilities, and many governments are not taking any action, which appears to be a “wait and see what happens” approach. In addition, many governments are limiting the number of facilities allowed. The suggestion from a representative of the medical marijuana industry would be to limit the number of facilities to one (or two for competition purposes) of each type of facility per 10,000 people.

Questions- These laws allowing for commercial medical marijuana facilities were passed in order to clean up the voter initiated medical marijuana law passed in 2008. That law was very vaguely written and created many issues that the courts have been making rulings on since 2008, including the legality of provisioning centers. LARA is attempting to treat medical marijuana the same as it does alcohol. However, LARA is still making what in some cases are very important decisions. On September 21, LARA determined that a grow facility, processor and provisioning center could be in the same building. In addition, there are many questions that have yet to be answered, including whether a grow facility can stack multiple licenses to create much larger grow facilities, whether a secure transporter is needed for adjacent facilities, and a number of other questions on the operations side. LARA has stated they will have enough of these issues resolved by December 15 to have an operable system. It has also not been specified how LARA will work with the municipalities to make sure that local standards are being met.

Severability- As the law is written, it allows the local unit of government to opt in and allow these facilities or opt out and not allow these facilities. However, if a community opts in and allows some or all of these facilities and has a bad experience with these facilities or has a change in leadership and then decides to opt out it would appear to be problematic as any existing facilities could continue to operate. The communities can choose not to allow any additional facilities to locate in their unit of government by changing their ordinance and opting out, but it is very doubtful they could shut down the existing facilities unless there is a clear violation of the facilities special permit. To shut down an existing facility, without revoking the special permit, would be legally considered a “taking” and subject the local unit of government to pay for damages.

Consideration of the Committee: The medical marijuana committee was formed not only to represent many interested stakeholders, but also to reflect a diverse set of opinions on the topic of medical marijuana. The group reviewed as much information as they could from an array of different sources, including many trainings, briefs from state agencies and non-profit groups, presentations from those involved in the industry, and testimonials of medical marijuana users. While there were certainly members of the committee that are in favor of allowing these commercial facilities as soon as possible, and also members of the group that will probably not be in favor of allowing the commercial facilities, a majority of the group was concerned about the quality of the State regulation. LARA has yet to pass a basic set of rules. While LARA has outwardly have indicated that they will have an operable system by December 15th, there is a very real possibility that this will be a set of emergency rules that will have to be changed. The State does not have the best track record of rolling out functional and clear programs (i.e. personal property, gas tax, ever shifting grant programs etc.) and there is concern about trying to write City regulations for rules that, at the moment, do not exist. **To emphasize, there are members of the committee who feel that medical marijuana facilitates should be allowed as quickly as possible with appropriate zoning regulations, and there are members of the committee that feel that allowing the commercial facilities would probably not be a good idea in general. A majority of the committee does not feel there is enough regulatory frame work from the State at this point, or that they would like to observe what happens in other communities before making a decision on whether to allow these facilities or not, and felt it would be in the best interest of the City to not opt in at this time for any facilities.**

If there is a decision to wait and observe the functionality of how the new system works before making a final decision to opt in or out, it has been recommended that a community pass a resolution to not allow any commercial facilities within their City at this time. The reason for this is that all Zoning Ordinances contain wording allowing for the use of medical marijuana by medical marijuana cardholders and primary caregivers due to the law passed in 2008. Passing this type of resolution has been recommended because it is unknown how well LARA will be scrutinizing applications as they will be flooded with them initially. In order to make sure that there are no approvals issued by LARA for the City, it could be beneficial to adopt a resolution to not allow any facilities with language included to revisit the issue when there is sufficient time to review the final regulations and how the system is operating at both the State and community level. That would eliminate any question as to the intent of the City.

Recreational Marijuana Use: The possibility of recreational marijuana use was not heavily considered by the committee. There are several initiatives gathering signatures at the moment to place recreation use on the ballot next November. The regulation of these various initiatives vary, from allowing the same opt in/opt out approach as the passed medical marijuana law, to allowing the use of recreational marijuana outright. Because these initiatives are so early on and would have to be passed by the voters, and vary in the way they are written, it would appear to be premature to cite these ballot measures as a reason to allow or disallow medical marijuana facilities, keeping in mind that there is a significant chance that at least one of these proposed measures to allow for recreational use of marijuana passes next November.

Next Steps- If Council chooses to not allow commercial medical marijuana facilities at this time, then Council can choose to adopt the attached resolution indicating the City will not allow and commercial medical marijuana facilities or take no action. If Council chooses to allow any or all facilities, staff will begin the process of drafting the appropriate ordinance and making the updates to the Zoning Ordinance. The earliest date the State will begin processing applications is December 15th. Commercial facilities will only be allowed if the City passes an ordinance specifically allowing these facilities.




Memorandum

Date: January 15, 2019

To: Anna Soik, City Clerk/Treasurer/Finance Director

Copy: Greg Sundin, City Manager

From: Rich Sullenger, City Engineer 

Subject: HMA Patching Program Contract Renewal Recommendation

In December 2018, the City received the attached request from Everett Goodrich Trucking, Inc. to renew the HMA (Hot Mixed Asphalt) Patching Program Contract for the 2019 construction season. This contract provides bituminous asphalt services to the City as needed with costs billed to the appropriate line item where the work is performed. This contract contains language which allows for the renewal of the contract for up to 1 (one) additional one-year period, providing both parties can agree on any pricing adjustments.

Bruce Goodrich, of Everett Goodrich Trucking Inc., has requested an increase to a few of the contract unit prices to offset an increase in material cost, however, many of the items and services remained at the same cost as 2018. Using last year's quantities as a basis, the proposed changes would show a net increase of \$1,541, to the overall contract. 2019 unit prices are outlined on the attached bid tab comparison.

It is my recommendation, as City Engineer, that City Council approve the renewal of the 2018 HMA Patching Program Contract for 2019 with Everett Goodrich Trucking, Inc. for the unit prices proposed.

Attachments

| L n | Pay l | D r n | uan y Un | d Pr | T a |
|------|---------|---|------------|--------------|-----------------|
| 0001 | 3027031 | Aggregate Base, 22A, Modified | 10 Ton | \$11.000 | \$110.00 |
| 0002 | 4037050 | Adjust Catch Basins to Grade | 10 Ea | \$78.000 | \$780.00 |
| 0003 | 4037050 | Adjust Manholes to Grade | 10 Ea | \$78.000 | \$780.00 |
| 0004 | 5027031 | HMA Mixture No. 1100, 20AA Grade 58 28 | 100 Ton | \$75.000 | \$7,500.00 |
| 0005 | 5027031 | HMA Mixture No. 1100, 20AA Hand Patching, 0 1 ton | 20 Ton | \$310.000 | \$6,200.00 |
| 0006 | 5027031 | HMA Mixture No. 1100, 20AA Hand Patching, 1 3 ton | 40 Ton | \$250.000 | \$10,000.00 |
| 0007 | 5027031 | HMA Mixture No. 1100, 20AA Hand Patching, 15 25 ton | 70 Ton | \$115.000 | \$8,050.00 |
| 0008 | 5027031 | HMA Mixture No. 1100, 20AA Hand Patching, 3 6 ton | 60 Ton | \$183.000 | \$10,980.00 |
| 0009 | 5027031 | HMA Mixture No. 1100, 20AA Hand Patching, 6 15 ton | 100 Ton | \$157.000 | \$15,700.00 |
| 0010 | 5027031 | HMA Mixture No. 1100, 20AA Hand Patching, over 25 ton | 100 Ton | \$104.500 | \$10,450.00 |
| 0011 | 5027031 | HMA Mixture No. 1100, 20AA Wedge Type Machine Patching, 0 10 ton | 5 Ton | \$120.000 | \$600.00 |
| 0012 | 5027031 | HMA Mixture No. 1100, 20AA Wedge Type Machine Patching, 10 18 ton | 15 Ton | \$85.000 | \$1,275.00 |
| 0013 | 5027031 | HMA Mixture No. 1100, 20AA Wedge Type Machine Patching, 18 25 ton | 25 Ton | \$85.000 | \$2,125.00 |
| 0014 | 8027010 | Asphalt Surface Prep Sealer, 2 Coat Application | 10,000 Sft | \$.110 | \$1,100.00 |
| 0015 | 8027010 | Asphalt Surface Prep Sealer, 3 Coat Application | 10,000 Sft | \$.160 | \$1,600.00 |
| 0016 | 8120170 | Minor Traf Devices Each se | 1 LS M | \$260.000 | \$260.00 |
| 0017 | 8120370 | Traf Regulator Control Each se | 1 LS M | \$260.000 | \$260.00 |
| 0018 | 8167030 | Crack Sealing | 1,000 Lb | \$3.600 | \$3,600.00 |
| 0019 | 8257050 | Adjust Water alve to Grade | 10 Ea | \$78.000 | \$780.00 |
| | | | | d T a | 2,1 0 00 |

2018-2019 Price Comparison HMA Patching Program

| Description | Units | Qty | 2018 Price | 2018 Total | 2019 Price | 2019 Total | Percent Change |
|--|-------|-------|------------|-------------|------------|-------------|----------------|
| HMA Mixture No. 1100, 20AA Grade 58-28 | Ton | 100 | \$65.00 | \$6,500.00 | \$75.00 | \$7,500.00 | 15.4% |
| HMA Mixture No. 1100, 20AA Hand Patching, 0-1 ton | Ton | 20 | \$210.00 | \$4,200.00 | \$310.00 | \$6,200.00 | 47.6% |
| HMA Mixture No. 1100, 20AA Hand Patching, 1-3 ton | Ton | 40 | \$210.00 | \$8,400.00 | \$250.00 | \$10,000.00 | 19.0% |
| HMA Mixture No. 1100, 20AA Hand Patching, 15-25 ton | Ton | 70 | \$115.00 | \$8,050.00 | \$115.00 | \$8,050.00 | 0.0% |
| HMA Mixture No. 1100, 20AA Hand Patching, 3-6 ton | Ton | 60 | \$183.00 | \$10,980.00 | \$183.00 | \$10,980.00 | 0.0% |
| HMA Mixture No. 1100, 20AA Hand Patching, 6-15 ton | Ton | 100 | \$157.00 | \$15,700.00 | \$157.00 | \$15,700.00 | 0.0% |
| HMA Mixture No. 1100, 20AA Hand Patching, over 25 ton | Ton | 100 | \$104.50 | \$10,450.00 | \$104.50 | \$10,450.00 | 0.0% |
| HMA Mixture No. 1100, 20AA Wedge Type Machine Patching, 0-10 ton | Ton | 5 | \$104.50 | \$522.50 | \$120.00 | \$600.00 | 14.8% |
| HMA Mixture No. 1100, 20AA Wedge Type Machine Patching, 10-18 ton | Ton | 15 | \$83.50 | \$1,252.50 | \$85.00 | \$1,275.00 | 1.8% |
| HMA Mixture No. 1100, 20AA Wedge Type Machine Patching, 18-25 ton | Ton | 25 | \$75.00 | \$1,875.00 | \$85.00 | \$2,125.00 | 13.3% |
| Asphalt Surface Prep & Sealer, 2 Coat Application | Sft | 10000 | \$0.11 | \$1,100.00 | \$0.11 | \$1,100.00 | 0.0% |
| Asphalt Surface Prep & Sealer, 3 Coat Application | Sft | 10000 | \$0.16 | \$1,600.00 | \$0.16 | \$1,600.00 | 0.0% |
| Crack Sealing | Lb | 1000 | \$3.60 | \$3,600.00 | \$3.60 | \$3,600.00 | 0.0% |
| Aggregate Base, 22A, Modified | Ton | 10 | \$11.00 | \$110.00 | \$11.00 | \$110.00 | 0.0% |
| Adjust Catch Basins to Grade | Ea | 10 | \$78.00 | \$780.00 | \$78.00 | \$780.00 | 0.0% |
| Adjust Manholes to Grade | Ea | 10 | \$78.00 | \$780.00 | \$78.00 | \$780.00 | 0.0% |
| Minor Traf Devices, Each Use | LSUM | 1 | \$260.00 | \$260.00 | \$260.00 | \$260.00 | 0.0% |
| Traf Regulator Control, Each Use | LSUM | 1 | \$260.00 | \$260.00 | \$260.00 | \$260.00 | 0.0% |
| Adjust Water Valve to Grade | Ea | 10 | \$78.00 | \$780.00 | \$78.00 | \$780.00 | 0.0% |

\$77,200.00

\$82,150.00 6% Overall

EVERETT GOODRICH TRUCKING, INC.

3851 Werth Road

Alpena, MI 49707

Phone: 989-356-1791 - Fax: 989-356-4895

City of Alpena
208 N First
Alpena, MI 49707

Re: HMA Patching Renewal

We have submitted a price increase for HMA Patching Program renewal. Since the original bid was submitted, the price of liquid asphalt has increased by 30%. In addition to the liquid asphalt price increase, the cost of the aggregates needed to make the asphalt has increased by 13% since last year. Not including these substantial material price increases, the cost of labor/cost of living (wages, fuel insurance, etc) has also increased in the last year. The requested price increase is above the normal inflation rate set by the State of Michigan Tax Commission of 3%; but we feel that under the current circumstances, the requested price increase is justified and necessary to cover the increase in materials and labor.

Thank you,

Bruce Goodrich





Alpena Fire Department
Alpena County EMS
501 W Chisholm Street
Alpena, Michigan 49707
www.alpena.mi.us

Fire/EMS

Date: January 16, 2019

To: Honorable Mayor Matthew Waligora and City Council

From: Bill Forbush, EFO
Fire Chief

cc: Greg Sundin, City Manager

Re: Long Distance Transfer Ambulance Remount

We have two city-owned ambulances being used as Mobile Intensive Care Units (MICU) for long-distance interfacility transfers ("LDTs"). The 2017 MICU is performing beautifully, and is averaging 4991 miles per month. The backup MICU and Advanced Life Support LDT rig is a 2009 rig that we purchased new in 2011. Since that time, we have experienced an engine failure which we addressed through a very unusual replacement of the 6.0L diesel engine with the 7.3L diesel from a 1999 ambulance. That has bought us a few years and another 100,000 miles or so before another failure. The unit now has 251,000 miles on it. The module box is in excellent shape but the truck portion is worn out. With this unit out of service, all long distance calls are being handled by the 2017 unit, increasing its average monthly mileage by almost 4000 more miles and reducing its service life significantly.

In an effort to meet community needs as cost effectively as possible, we are recommending that we have the 2009 unit remounted. This is a procedure done at the factory where they remove the "box" from the old ambulance and reinstall it on a new 2019 Ford E450 gas chassis. This can only be done by a Ford Quality Vehicle Manufacturer ("QVM") certified company that can recertify the new completed vehicle as compliant with federal motor vehicle safety standards and U.S. DOT ambulance safety criteria.



Only the original manufacturer of our ambulance box can remount it onto another chassis and recertify it as required. Rolland Speciality Vehicles and Products (RSVP) has submitted a proposal to remount at the factory for \$79,927.00. This amount is less than half of the cost of a new unit, and is only possible because of the condition of this particular ambulance box and the timing in the regulatory cycle. It will take about 2 months to complete the project.

With the cooperation and concurrence of the City Engineer and City Manager, we are requesting an emergency loan from the DPW Construction Fund of \$80,000 to remount our current ambulance for use in the transfer program. Because of the standards requiring OEM involvement in the remount, it is not possible to bid the project and is sole source.

Increased volume in LDTs out of MidMichigan Alpena has caused a spike in associated revenue. We are budgeted to earn \$1.65 million this year, but at the six-month mark are on track for \$1.9 million or more by June 30. We anticipate repaying this loan with interest from these increased revenues over no more than four years and as quickly as possible.





1-12-19

City of Alpena Fire Dept.

Attn: Robert Adrian

501 W. Chisholm St.

Alpena, MI 49707

Dear Robert,

RSVP and AEV ambulances kindly submit this proposal for your consideration. The ambulance Remount we produce is done to meet or exceed the latest State of the Art remount standards in safety, construction and engineering.

2019 Ford E-450 McCoy Miller 172 x 98 x 72 to AEV REMOUNT \$ 79,927.00

Terms:

Price firm 30 days

Delivery 60-75 days from a confirmed order

COD upon delivery and orientation

Thanks for the opportunity to provide Alpena Fire Dept. the finest ambulance remount in the market today!

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Arnos', is written over the word 'Sincerely,'.

John Arnos, Pres.

RSVP, Inc.

5265 Tractor Rd. P.O. Box 6888

Toledo, OH 43612