



## CITY COUNCIL

April 15, 2019

1. Call to Order - 7:00 P.M. - City Hall Council Chambers
2. Recitation - Pledge of Allegiance to the Flag of the United States of America
3. Roll Call
4. Presentation
  - (a) Hear presentation by Leonard Page, a representative from For Love of Water (FLOW) concerning Enbridge's Line 5 Pipeline
  - (b) Hear presentation by District Library Director Valerie Meyerson concerning the Petoskey District Library
5. Proclamation – Hear proclamation concerning Earth Day
6. Consent Agenda – Adoption of a proposed resolution that would confirm approval of the following:
  - (a) March 18, 2019 regular session City Council meeting minutes
  - (b) Acknowledge receipt of a report concerning certain administrative transactions since March 18, 2019
7. Miscellaneous Public Comments
8. City Manager Updates
9. Appointments – Consideration of appointments to the Board of Review and Zoning Board of Appeals
10. New Business
  - (a) First reading of a proposed ordinance that would amend Chapter 8 Businesses and Business Regulations creating a new Article VI prohibiting recreational marijuana
  - (b) Authorization to contract with David Hoffman Landscaping and Nursery, Inc., Petoskey, for planting of trees at various locations throughout the City for \$22,165
11. Closed Session – Adoption of a proposed resolution that would authorize to recess to a closed session, pursuant to Section 8(c) of the Michigan Open Meetings Act, to consider strategy and negotiations of a collective bargaining agreement
12. City Council Comments
13. Adjournment



**BOARD:** City Council

**MEETING DATE:** April 15, 2019

**DATE PREPARED:** April 11, 2019

**AGENDA SUBJECT:** Line 5 Pipeline Presentation

**RECOMMENDATION:** That the City Council hear presentation

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**Background** Leonard Page, a representative from For Love of Water (FLOW), will give a brief presentation concerning Enbridge's Line 5 Pipeline.

**Action** City Council hear presentation.

sb  
Enclosure

# Enbridge's Line 5 in the Mackinac Straits Is Not Vital to Michigan's Energy Economy

## Pipeline Company's Claim:

### *Michigan Can't Live Without the Line 5 Pipelines in the Mackinac Straits*

Offering scant evidence, Canadian energy transport giant Enbridge claims that its aging Line 5 oil pipelines in the Mackinac Straits are a "vital piece of Michigan energy infrastructure" that Michiganders cannot live without.

## FLOW's Finding:

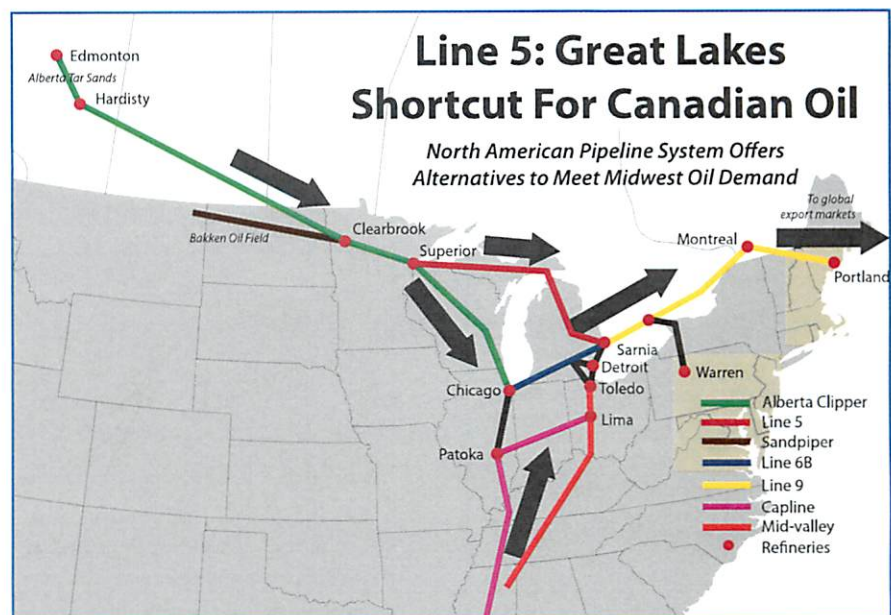
### *Risky Straits Oil Pipelines Serve Enbridge's Interests, Not Michigan's Needs*

FLOW's December 2015 expert report demonstrates that decommissioning the 64-year-old "Line 5" oil pipelines to prevent a disastrous spill in the Mackinac Straits would not disrupt Michigan's or the Midwest's crude oil and propane supply because only 5-10 percent of the oil in Line 5 is used in Michigan. Moreover, available capacity and flexibility to meet energy demand in the Great Lakes region already exists in the North American pipeline system operated by Enbridge and its competitors without threatening our public waters and Pure Michigan economy. The bottom line: Line 5 is not vital to the people and tribes of Michigan.

*According to a 2016 poll, 66 percent of Michiganders believe that Enbridge should not transport oil under the Straits.*

## Background

In 1953, Canadian energy transport giant Enbridge brokered a deal with the State of Michigan to build an underwater oil pipeline using the public waters and bottomlands of the Mackinac Straits, just west of the Mackinac Bridge. The purpose was made clear to everyone: this Canadian pipeline would transport Canadian oil eastward to refineries in Sarnia, Ontario, taking a high-risk shortcut through the Great Lakes. Line 5 was never designed as vital infrastructure for Michigan, and more than 60 years later, it still isn't, with at least 90 percent of the oil refined in Canada or exported via the Atlantic Ocean.



## Key Facts

### **1 Oil: Nearly all of Line 5's oil serves refineries in Canada, not Michigan**

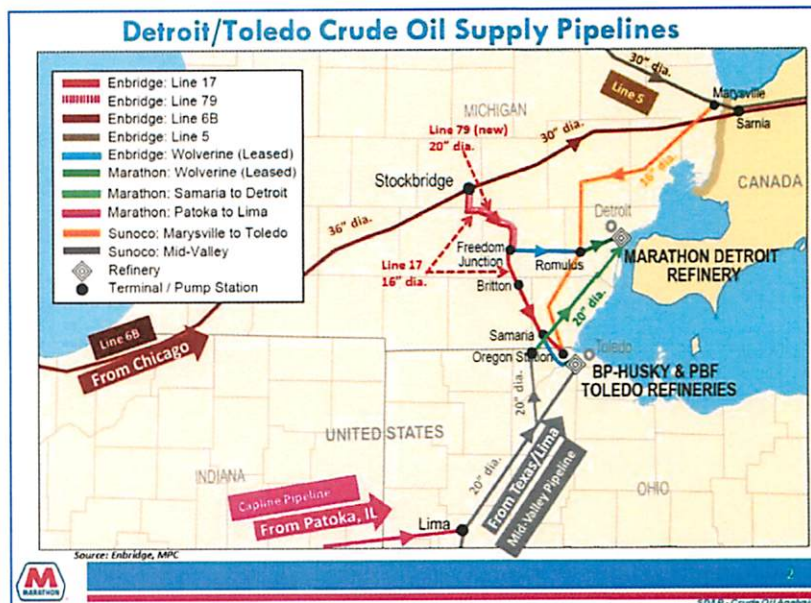
Based on the available information, FLOW technical experts concluded that no more than 5-10 percent of the light crude oil carried by Line 5 is destined for the Detroit and two Toledo refineries, with the remaining 90-95 percent reaching refineries in Sarnia, Ontario.



If Line 5 is shut down at the Mackinac Straits, the small percentage of Line 5's light crude coming to the United States could be supplied by other sources currently serving the region that do not risk the Great Lakes, including the Capline and Mid-Valley pipelines, along with crude from Northern Michigan oil wells.

In addition, Enbridge could transport additional crude oil from Alberta, Canada, and North Dakota to the region via its Line 6B (recently renamed Line 78), which was replaced and doubled in capacity after Enbridge's 2010 spill of a million gallons of heavy oil into the Kalamazoo River watershed near Marshall, Michigan.

FLOW research shows that the Marathon refinery in Detroit uses primarily heavy crude from the Alberta Tar Sands via Enbridge Line 6B, and that one of the Toledo refineries plans to convert entirely to heavy crude feedstock. The State of Michigan in September 2015 reached an agreement with Enbridge prohibiting heavy oil transport via Line 5 in the Mackinac Straits.



## 2 Propane: Line 5 is not needed to supply propane to the Upper Peninsula

As part of decommissioning the Line 5 pipeline, a viable alternative is for propane supplier Plains All American to expand propane purification capacity at its existing plant in Superior, Wisconsin. The company then could use 4-5 tanker trucks a day to deliver the propane to its existing storage-and-distribution center in Rapid River, Michigan, north of Escanaba on U.S. 2. Or a 1-2 rail cars could deliver the propane from Superior to Escanaba, and then transport it via propane trucks to Rapid River.

This viable alternative eliminates the need to keep Line 5 in service in Michigan to supply propane to the Upper Peninsula. And it allows Rapid River to continue as a storage-and-distribution center, supplying customers currently served by this location.

In addition, Plains All American could increase the capacity of its storage facility at Kincheloe, in the eastern Upper Peninsula, which is not served by Line 5. The energy distribution network is highly adaptable such that Enbridge does not have a monopoly on propane delivery to U.P. distributors.

## 3 Economy and Jobs: 250 'Line 5' jobs vs. 800,000 Great Lakes jobs

Enbridge says the Line 5 pipeline provides 250 jobs in Michigan, while about 800,000 Michigan jobs are tied in some way to the clean water of the Great Lakes. In total, more than 1.5 million U.S. jobs are directly connected to the Great Lakes, generating \$62 billion in wages, according to Michigan Sea Grant.

### LEARN MORE AT:

- FLOW (For Love of Water) — [www.FLOWforWater.org](http://www.FLOWforWater.org), [info@flowforwater.org](mailto:info@flowforwater.org) or 231.944.1568
  - FLOW study on alternatives to Line 5: <http://bit.ly/2jBQQbi>
  - Oil & Water Don't Mix campaign: [www.OilandWaterDontMix.org](http://www.OilandWaterDontMix.org)

**DONATE**

[flowforwater.org/donate](http://flowforwater.org/donate)





# City of Petoskey

## Agenda Memo

**BOARD:** City Council

**MEETING DATE:** April 15, 2019

**PREPARED:** April 11, 2019

**AGENDA SUBJECT:** Petoskey District Library Presentation

**RECOMMENDATION:** That the City Council hear this presentation

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**Background** District Library Director Valerie Meyerson will give a brief presentation to the City Council concerning the Petoskey District Library. The 2018 Annual Report is enclosed for your review.

sb  
Enclosure

## Petoskey District Library

### **Library Board of Trustees**

Ann Ingles, *President*  
John Smith, *Vice-President*  
Jodi Adams, *Secretary*  
Sue Fantini, *Treasurer*  
Ken Winter, *Member-at-Large*

### **Library Staff**

Valerie Meyerson, *Library Director*  
Mary Sue Prantera, *Technology Supervisor*  
Neil Ahrens, *Facility Manager*  
Sarah Biskup, *Programming Librarian*

### **Circulation:**

Jodi Haven, *Public Services Librarian*  
*Library Assistants:*  
Holly Angileri, Jon Baughan, Patty Grace,  
Isaac Green, Judy Harvey, Mary Hohlbein,  
Gabe Meyerson, Jane Mooradian, Mary Kay  
Olmsted, Jennifer Rigby, Kate Scollin, Donna Smith

### **Youth Services:**

Megan Goedge, *Youth Services Librarian*  
Nisa Kessler, *Teen Services*  
Nicole Russell, *Teen & Makerspace Assistant*  
Marty Samson, *Library Assistant*  
Lisa Scholl, *Librarian*

### **Reference Services:**

Drew Cherven, *Reference Supervisor*  
Mary Beauchamp, *Librarian*

### **Friends of the Library Board**

Gayle Mroczkowski, *President*  
Anne Lewis, *Vice-President*  
Jan Smith, *Secretary*  
Joyce Hutto-Nolan, *Treasurer*  
Ann Barfknecht, Merry Baxter, Carrie Corbin,  
Jane Damschroder, Mary Daniels, Ann Ingles,  
Lynnet Johnson, Suzanne LaBeau, Ethel Larsen  
Lauren Macintyre, Sue Moffat and  
Carolyn Switzer

231-758-3100  
library@petoskeylibrary.org

## Saying YES to our Friends!

The Friends of the Petoskey Library work hard in support of library services. The Friends raise thousands of dollars every year which goes directly into library services. The Friends sponsor the 1,000 Books Before Kindergarten initiative, which helps promote reading for pre-school children. Each parent or caregiver pledges to read 1,000 books to their child prior to Kindergarten enrollment. The kids receive free books, bags, and other goodies for each milestone reached.

The Friends sort, clean, shelve, and straighten their used book sale, which raises close to \$14,000 each year. Approximately \$10,000 of that goes directly to the library in support of children's books and programs.

The Friends helped launch and continue to support the Rhea Murray Awards Collection. These books have won an award within the past three years.

The Friends continue to plan and organize the monthly Friends @ the Carnegie lecture series—giving the public a chance to learn something new and hear different opinions.



*Friends organizing the baskets for the silent auction at their annual dinner.*

### **Hours:**

Mon—Thurs: 10:00—7:00  
Fri & Sat: 10:00—5:00  
Sun: Noon—5:00

500 E. Mitchell St  
Petoskey, MI 49770  
www.petoskeylibrary.org

## Petoskey District Library—2018

*The world is only a visit away.*

### Director's Message:



The Petoskey District Library staff was awarded the 2018 Service Excellence Award from the Petoskey Chamber. Although the library is not a business, the Chamber saw fit to recognize the staff for the excellent service they provide—always striving for “Yes”!



Looking for ways to have a positive impact on the whole community led the library into a partnership with the Public Schools of Petoskey to provide assistance in strengthening the reading ability of our youngest readers. Growing Readers Together is a three pronged approach including, one-on-one tutoring, Family Literacy Nights, and Adventure Literacy Packs to take home. As of the writing of this article, 39 first—third graders have or are receiving tutoring at the public library and 19 families have participated in our Family Literacy Night activities.

~Valerie Meyerson



### Building Upgrades:

We had a few major building repairs in 2018. The Carnegie received a new roof and the main library had gutter repair work done to alleviate a persistent water problem in the building. We also transitioned to 100% LED lighting to reduce electricity costs, as well as help our environment.

The staff worked hard transitioning our check out system to an RFID tagging system. RFID technology makes for easy self-check outs and an easier inventory process.



### Service Additions:

Our **Library of Things** is growing. In addition to Wifi Hotspots, Exploration Kits, Kindles, and Book Club Kits, we have added Ukuleles! Stop by the Reference Desk and check out a Uke to take home. Watch for upcoming classes on how to play too!



### **Code Club**

a great way to learn the basics of coding—helps develop the next generation of programmers! The Code Club meets once per week on Mondays, kids can start anytime.



The Numbers say YES!

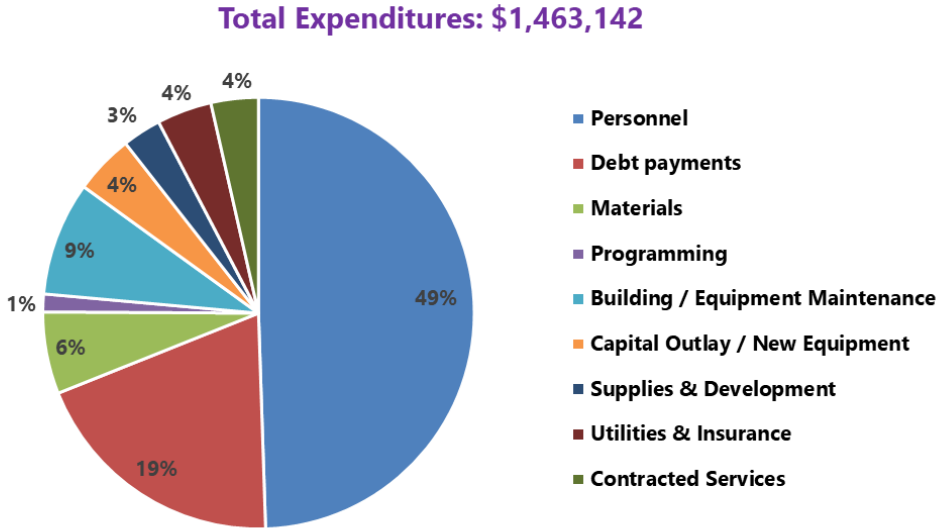
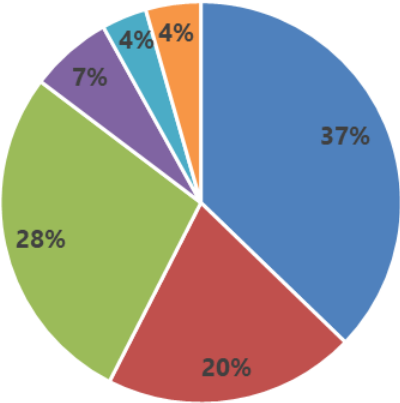
We saw a 7% increase in our registered library card users: 7,311!

Our circulation increased 17% over last year, for a total of 172,263 items borrowed!

Volunteers provided 2,262 hours of service!

Total Revenues: \$1,403,561

- City Operating Taxes
- City Debt Fund Taxes
- Township Taxes
- Federal / State / County
- Local Library Income
- Grants / Donations



103,167 visitors in 2018—a 4% increase!

6,388 adults attended 345 programs.

6,756 kids attended 480 programs.

Pre-audited, **year-end fund balances:**

- General Fund Balance: \$ 578,479
- Building Reserve Fund Balance: \$ 273,000

**Current debt** on the library: \$ 2,788,306  
**Building Bonds** will be paid off in 2028

Yes to the Community!

Yes to Youth!

The Summer Reading Program for 2018 had an 7% increase in the number of kids signing up for the program and 322 kids reading to level 1. Teen Summer Program participants and finishers increased by 50 kids!

Summer storytime attendance went from 262 in 2017 to 430 in 2018!

We also had the wonderful opportunity to partner with the Great Lakes Chamber Orchestra for the Young Children’s Library Series. There were three fall sessions of the program that highlighted a different part of the orchestra. The program featured stories, music, education, and audience participation. We had a great turnout for Saturday mornings and we’ll complete the series this spring.

The Chess Club, mentored by Robert Bemben, Robin Ray, and Alex Bemben continued for the school year and was featured in a front page Petoskey News Review article in December.



At the Holiday Open House, Ms. Megan and all the children had a fun visit from Elephant and Piggie!

**What’s Next?**

We are dubbing 2019 as the year of “no change.” After all the changes we have seen in the past few years, we plan to settle into our new normal and gain our footing. During this year we will be working on planning for our future—including a Strategic Plan, and a Technology Plan. If you are interested in assisting us in planning for the future, we would love your input. Please contact the director for more information on how you can help.

Community Says YES to the Library!

Donors and grantors were very supportive in 2018. We received a grant from the Petoskey-Harbor Springs Area Community Foundation, the Bay Harbor Foundation, and the Friends of the Petoskey Library to purchase a Smart Board to be utilized in the Teen Area and Classroom.



We also received much community support for our Growing Readers Together program. We received a PHSACF grant to fund our tutors. We also received a donation from The UPS Store to purchase books to give away to our participants. The Petoskey Education Foundation funded books for the Adventure Packs. The Friends of the Petoskey Public Library are funding monies for tutors, supplies for crafts and meals, and volunteers for the meals. We also received support from many area restaurants who provide meals for our Family Literacy Nights: The Grain Train, Julianne Tomatoes, Wine Guys, and Thai Orchid. Many thanks to all for supporting our youngest readers’ quest to become more confident readers!

**Yes to our Seniors!**

Lisa Scholl spends time each week visiting six different senior living facilities, including: Riverview, Pine View, Independence Village, Harbor Watch, Harbor Village, and American House. Lisa brings specially selected books for the residents. She is also able to spend a bit of time with the residents in order for her to pick out books they will love!







## Earth Day 2019

WHEREAS, most scientific research, both here and abroad, informs us that our global community now faces extraordinary challenges such as increasingly numerous extreme weather events, environmental and climate changes, food and water shortages, and global health issues; and

WHEREAS, Earth Day was founded in 1970 as an American day of education and action regarding environmental issues, but which is now celebrated with a global focus on green issues of importance to all peoples, regardless of race, gender, income, or geography, who have a moral right to a healthy, sustainable environment; and

WHEREAS, it is understood that the citizens of our global community must step forward and take action to create positive environmental change to combat these global challenges; and

WHEREAS, a sustainable environment can be achieved on the individual level through educational efforts, public policy and consumer behavior changes; and

WHEREAS, it is necessary to broaden and diversify the environmental movement to achieve maximum success:

NOW, THEREFORE BE IT RESOLVED, that I, John Murphy, Mayor of the City of Petoskey, hereby pledge to use this Earth Day, April 22, 2019, as a reminder of our duty to serve the best interests of our constituents by supporting environmental initiatives in the City of Petoskey, and to encourage others to undertake similar actions.

Dated this 15<sup>th</sup> day of April, 2019

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Mayor John Murphy



# City of Petoskey

## Agenda Memo

**BOARD:** City Council

**MEETING DATE:** April 15, 2019

**PREPARED:** April 11, 2019

**AGENDA SUBJECT:** Consent Agenda Resolution

**RECOMMENDATION:** That the City Council approve this proposed resolution

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The City Council will be asked to adopt a resolution that would approve the following consent agenda items:

- (1) Draft minutes of the March 18, 2019 regular session City Council meetings; and
- (2) Acknowledge receipt of a report from the City Manager concerning all checks that have been issued since March 18, 2019 for contract and vendor claims at \$959,416.71, intergovernmental claims at \$0, and the March 21 and April 4 payrolls at \$385,765.47 for a total of \$1,345,182.18.

sb  
Enclosures



## CITY COUNCIL

March 18, 2019

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, March 18, 2019. This meeting was called to order at 7:00 P.M.; then, after a recitation of the Pledge of Allegiance to the Flag of the United States of America, a roll call then determined that the following were

Present: John Murphy, Mayor  
Kate Marshall, City Councilmember  
Suzanne Shumway, City Councilmember  
Grant Dittmar, City Councilmember  
Lindsey Walker, City Councilmember

Absent: None

Also in attendance were City Manager Robert Straebel, Clerk-Treasurer Alan Terry, Public Safety Director Matthew Breed, Public Works Director Michael Robbins, Parks and Recreation Director Kendall Klingelsmith and Downtown Director Becky Goodman.

### **Hear Department of Public Safety Honor's Board Presentation**

The Department of Public Safety Honor's Board recently authorized awards to Officers, Emmet EMS staff and citizens for meritorious service. Director Breed presented awards to the recipients for commendable service throughout the community including lifesaving awards, certificate of merit, Public Safety commendation and citizen awards.

### **Hear MPPA Presentation on Power Supply & Renewables**

Patrick Bowland, Michigan Public Power Agency CEO and General Manager, gave a brief presentation concerning power supply and renewables as requested by City Council. Mr. Bowland reviewed the history and makeup of the agency and that it consists of smaller municipal memberships; that MPPA is a project based agency which means a member chooses to participate in projects or services that are applicable to their needs; provided an update on public power and benefits of joint action; reviewed renewable supply as part of a decarbonization plan which entails energy efficiency and conservation and a renewable resource plan; explained that MPPA can work with the City on a renewable resource plan that would include specifications, percentage target levels, portfolio management, affordability and reliability; discussed the difference between capacity vs energy and the State and Federal standards that are required; reported on wind power challenges and that 10 Michigan counties have developed restrictive wind ordinances; and further reviewed that communities' power supply portfolio must include 15% renewables by 2021 as mandated by the State and Federal governments.

City Councilmembers inquired if there were additional mandates forthcoming; clarification on Advanced Metering Infrastructure (AMI); inquiries about the volunteer green pricing rate and what type of renewable resource was serving that supply; inquired on DTE replacing net metering and heard concerns with covering distribution rates; inquired if other communities have set strategies; and inquired if there were any zoning issues within Emmet County.



Mr. Bowland responded that he is unaware of any new mandates coming and that he believes the State is satisfied with current activities; that AML is two-way meter technology and allows the utility to analyze usage, peak power demands, etc. of customers; that voluntary green pricing rate is sourced primarily by wind and solar; referenced that early renewable resources that came online in 2008-2010 were landfill gas projects; that landfill gas projects are still around, and agency agreements all end in 2025 and won't renew; that Lansing and Traverse City have developed and set strategies; and that he is unaware of any zoning challenges in Emmet County.

Mayor Murphy asked for public comments and heard an inquiry on what strategies worked to develop wind projects in communities that were successful and what actual costs are between different sources of energy.

Mr. Bowland responded that all community stakeholders should be involved noting the advantages for everyone; and reviewed various costs for wind, solar, gas and coal.

City Councilmembers concurred to further discuss the potential of developing a plan and strategies at a future meeting.

### **Hear Sexual Assault Awareness Month Proclamation**

Mayor Murphy reviewed that the Women's Resource Center of Northern Michigan requested to declare April 2019 to be Sexual Assault Awareness Month. Mayor Murphy reviewed that the proclamation would recognize April as "Sexual Assault Awareness Month in Petoskey" and emphasize the City's commitment to this important issue. Mayor Murphy then read the following:

WHEREAS, sexual assault affects women, children and men of all racial, cultural and economic backgrounds; and

WHEREAS, in addition to the immediate physical and emotional costs, sexual assault may also have associated consequences of post-traumatic stress disorder, substance abuse, depression, homelessness, eating disorders and suicide; and

WHEREAS, sexual assault can be devastating for not only the survivor, but also for the family and friends of the survivor; and

WHEREAS, no one person, organization, agency or community can eliminate sexual assault on their own, but we can work together to educate our entire population about what can be done to prevent sexual assault, support victims/survivors and their significant others and increase support for agencies providing services to victims/survivors; and

WHEREAS, Sexual Assault Awareness Month provides an excellent opportunity for citizens to learn more about preventing sexual violence before it can start and to show support for the numerous organizations and individuals who provide critical advocacy, services and assistance to sexual assault survivors; and

WHEREAS, the City of Petoskey strongly supports the efforts of national, state, and local partners, and of every citizen, to actively engage in public and private efforts to prevent sexual violence. It's time for all of us to start conversations, take appropriate action and support one another to create a safer environment for all:

NOW, THEREFORE BE IT RESOLVED, that I, John Murphy, Mayor of the City of Petoskey, support efforts to eliminate sexual assault and hereby declare April 2019 to be in our city

## **SEXUAL ASSAULT AWARENESS MONTH**

### **Consent Agenda - Resolution No. 19278**

Following introduction of the consent agenda for this meeting of March 18, 2019, City Councilmember Marshall moved that, seconded by City Councilmember Dittmar adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the March 4, 2019 regular session City Council meetings be and are hereby approved; and

BE IT RESOLVED that receipt by the City Council of a report concerning all checks that had been issued since March 4, for contract and vendor claims at \$1,266,377.18 intergovernmental claims at \$64,198.59, and the March 7 payroll at \$201,320.88, for a total of \$1,531,896.65 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

### **Hear Public Comment**

Mayor Murphy asked for public comments and heard a comment concerning traffic flow due to detour and that left turns from Emmet Street onto Mitchell Street are difficult; inquiries on use of low flow toilets and that it causes issues with sewer mains and citizens should be aware of its effects to communities in areas with little use; and heard concerns that if medical or recreational marijuana is allowed it could cause additional policing and the difficulty to add additional duties that may be required of the Public Safety Department, and that Council should be cautious moving forward with discussions.

### **Hear City Manager Updates**

The City Manager reported that the Planning Commission will begin discussions at the March 21 meeting regarding medical marijuana and hear a presentation on initial conceptual plan for 200 East Lake Street; that costs increased for marina electrical improvements in order to meet new code and that additional costs will be funded through the Marina Fund; that the northbound US-31 detour started today as a result of the highway reconstruction and realignment project; that Teamster union negotiations begin March 20; that the State recently approved the option for local municipalities to change firework regulations and asked Council if they would like to consider changes; and that winter parking regulations end April 1.

City Councilmembers concurred to discuss firework regulations at a future meeting.

Mayor Murphy asked for public comments and heard an inquiry if boats will be monitored at the marina for electrical use and if a sign could be installed at the corner of Division and US-31 concerning the detour.

The City Manager responded that the City has equipment to monitor boaters and referred signage inquiry to Bear Creek Township since the location is in that jurisdiction.

### **DMB Appointment – Resolution No. 19279**

Mayor Murphy reviewed that City Council consider a possible appointment to the Downtown Management Board.

City Councilmember Marshall moved that, seconded by City Councilmember Dittmar adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the appointment of Brittany McNeil, 121 Division Street, to the Downtown Management Board to fill a vacated term ending December 1, 2020.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**ZBA Appointment – Resolution No. 19280**

Mayor Murphy reviewed that City Council consider a possible reappointment to the Zoning Board of Appeals.

City Councilmember Dittmar moved that, seconded by City Councilmember Shumway adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the reappointment of Ben Crockett, 1043 Curtis Avenue, to the Zoning Board of Appeals for a three-year term ending April 2022.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Adopt Ordinance 767 Harbor Village Apartments PILOT – Resolution No. 19281**

The City Manager reviewed that this was a second reading of an ordinance for Harbor Village Apartments on Crestview Drive which includes three separate buildings under the current ownership of Stratford Group LTD and current owner, Ken Werth, is proposing to sell the three buildings to his son, Stephen Werth (JPS Petoskey LDHA LP) and is asking Council to consider approving a Payment in Lieu of Taxes (PILOT) program for all buildings.

City Councilmember Dittmar moved that, seconded by City Councilmember Marshall adoption of the following ordinance:

An Ordinance to provide for a service charge in lieu of taxes for an existing multiple family dwelling project for low- and moderate-income persons and families financed with a federally-aided and/or Authority-aided Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq*) (the “Act”).

THE CITY OF PETOSKEY ORDAINS:

SECTION 1. This Ordinance shall be known and cited as the “City of Petoskey Tax Exemption Ordinance for JPS Petoskey LDHA LP”.

SECTION 2. Preamble

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its citizens of low to moderate income and to encourage the development of such housing by providing for a service charge in lieu of ad valorem property taxes in accordance with the State Housing Development Authority Act of 1966 (1966 PA 346, as amended, MCLA Section 125.1401 *et seq.*, MSA Section 116.114(1) *et. seq.*) (the “Act”). The City of Petoskey is authorized by said Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under the Act at any amount it chooses not to exceed the taxes that would be paid but for the Act.



It is further acknowledged that such housing for persons of low and moderate income is a public necessity, and as the City of Petoskey will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose; further, that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of housing developments which are constructed and financed in reliance on such tax exemption.

The City of Petoskey acknowledges that JPS Petoskey Limited Dividend Housing Association Limited Partnership, a Michigan Limited Partnership (the "Sponsor") has offered, subject to receipt of a Low Income Housing Tax Credit Reservation from the Michigan State Housing Development Authority, to erect, rehabilitate, own and/or operate a housing development identified as Harbor Village Apartments – Parcel No.: 51-19-07-100-015, Harbor Village Senior Citizen I Apartments – Parcel No.: 51-19-07-100-016 and Harbor Village Senior Citizen II Apartments – Parcel No.: 51-19-07-100-017 (the "Housing Development") on certain property located at 1301, 1309, 1317, 1325, 1401 & 1501 Crestview Drive, respectively, in the City of Petoskey to serve persons of low and moderate income and that the Sponsor has offered to pay the City of Petoskey on account of this housing development an annual service charge for public services in lieu of all taxes.

### SECTION 3. Definitions

All terms shall be defined as set forth in the State Housing Development Authority Act of 1966, being Public Act of 346 of 1966 of the State of Michigan, as amended, except as follows:

- a) Act means the State Housing Development Authority Act, being Public Act 346 of 1966 of the State of Michigan, as amended.
- b) Annual Shelter Rent means the total collections benefiting the Housing Development during an agreed annual period from all occupants of a housing development representing rent or occupancy charges, less overage paid to Rural Development, exclusive of Utilities.
- c) Authority means the Michigan State Housing Development Authority, a public body, corporate and politic of the State of Michigan.
- d) Rural Development means the United States Department of Agriculture-Rural Development through the Rural Rental Housing Program under Section 515 of the federal Housing Act of 1949, as amended.
- e) Housing Development means a development which contains a significant element of housing for persons of low and moderate income and such elements of other housing, commercial, recreational, industrial, communal and educational facilities as the Authority determines improves the quality of the development as it relates to housing for persons of low and moderate income.
- f) Low- and Moderate-Income Persons means persons and families eligible to move into a Housing Development assisted by the Authority and/or Rural Development.
- g) Mortgage Loan means a loan made, transferred, to be made or to be transferred by Rural Development and/or the Authority to the Sponsor for the acquisition, construction, rehabilitation and/or permanent financing of the Housing Development.
- h) Sponsor means person(s) or entity(ies), which have applied or will apply to Rural Development and/or the Authority for a Mortgage Loan or reservation of Low Income Housing Tax Credits to finance a Housing Development.
- i) Utilities means, gas, water, sanitary sewer service and/or electrical service, which are paid by the Housing Development.

#### SECTION 4. Class of Housing Development

It is determined that the class of Housing Development to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be that portion of a development which is for low- and moderate-income persons and which is financed or assisted pursuant to the Act. It is further determined that Harbor Village Apartments, Harbor Village Senior Citizen I Apartments and Harbor Village Senior Citizen II Apartments are of this class and solely for the benefit of Low and Moderate Persons as defined herein.

#### SECTION 5. Establishment of Annual Service Charge

The Housing Development identified as Harbor Village Apartments, Harbor Village Senior Citizen I Apartments and Harbor Village Senior Citizen II Apartments and the property on which they are constructed shall be exempt from all ad valorem property taxes from and after the transfer of the Housing Development to the Sponsor. The City of Petoskey acknowledging that the Sponsor, Rural Development and the Authority have established the economic feasibility of the Housing Development in reliance upon the enactment and continuing effect of this Ordinance and the qualification of the Housing Development for exemption from all ad valorem property taxes and a Payment In Lieu Of Taxes (PILOT) as established in this Ordinance, and in consideration of the Sponsors offer, subject to receipt of a Low Income Housing Credit Reservation from the Authority or a Mortgage Loan from Rural Development, to rehabilitate, own and operate the Housing Development, the City agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. The annual service charge shall be equal to 12.79% of the Annual Shelter Rents, as defined in this Ordinance, actually collected by the Housing Development during each operating year.

#### SECTION 6. Limitation on the Annual Service Charge.

Notwithstanding Section 5, the service charge to be paid each year in lieu of taxes for the part of the Housing Development which is tax exempt and which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the Housing Development if the Housing Development were not tax exempt. The term "low-income persons or families" as used herein shall be the same meaning as found in Section 15(a)(7) of the Act.

#### SECTION 7. Contractual Effect of Ordinance.

Notwithstanding the provisions of section 15(a)(5) of the Act, to the contrary, a contract between the City of Petoskey and the Sponsor, with the Authority and Rural Development as third-party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

#### SECTION 8. Payment of Service Charge.

The service charge in lieu of taxes as determined under the Ordinance shall be payable in the same manner as general property taxes are payable to the City of Petoskey and distributed to the several units levying the general property tax in the same proportion as provided with the general property tax in the previous calendar year. The annual payment for each operating year will be paid on or before September 1<sup>st</sup> of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MLC 211.1 et seq).

#### SECTION 9. Duration

This Ordinance shall remain in effect and shall not terminate so long as the Mortgage Loan remains outstanding and unpaid or the Housing Development remains subject to income and rent restrictions under Section 42 of the Internal Revenue Code of 1986, as amended; provided, that rehabilitation of the Housing Development commences within twenty-four (24) months from the effective date of this Ordinance.

#### SECTION 10. Severability

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid, the same shall not affect the validity of the Ordinance as a whole or any section or provision of this Ordinance other than the section or provision so declared to be unconstitutional or invalid.

#### SECTION 11. Inconsistent Ordinances

All ordinances inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such inconsistency or conflict.

#### SECTION 12. Effective Date

This Ordinance shall take effect fourteen (14) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Said ordinance was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

#### **Adopt Ordinance 768 Replacing Section 21-39(2) Concerning Overnight On-Street Parking Regulations – Resolution No. 19282**

The City Manager reviewed that this was a second reading of a proposed ordinance that would include the B-2A District as an area that needs to be free from on-street parking between the hours of 3:00 A.M. and 5:00 A.M., Sundays through Saturdays, annually, from December 1 to April 1 for snow removal purposes.

City Councilmember Walker moved that, seconded by City Councilmember Shumway adoption of the following ordinance:

#### **AN ORDINANCE TO REPLACE SECTION 21-39 (2)**

The City of Petoskey ordains:

1. **Section 21-39 (2) of the Petoskey Code of Ordinances is hereby terminated in its entirety and replaced with the following:**

Downtown exception. The provisions in this section shall not apply to public streets within the B-2 Central Business District or the B-2A Transitional Business District. Within these two zoning districts (B-2 and B-2A), no motor vehicle shall be parked on any public street between the hours of 3:00 A.M. and 5:00 A.M., Sundays through Saturdays, annually, from December 1 to the following April 1.



2. **Conflicting Standards.**

If any of the standards set forth in this amendment conflict with any other standards of previous or further ordinances or amendments, the stricter standards shall apply.

3. **Repeal; Savings Clause.**

All ordinances, resolutions, or orders, or parts thereof, in conflict with the provisions of this ordinance are, to the extent of such conflict, repealed.

4. **Severability.**

The various parts, sections and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

5. **Effect.**

This ordinance shall take effect fifteen (15) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Said ordinance was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Authorize Sunset Park Stair Tower Contract – Resolution No. 19283**

The City Manager reviewed that as directed by City Council after the last meeting, staff further researched and recommended proceeding with the stainless steel stair tower as specified; that alternate bids were reviewed that included galvanized stair treads; that after conferring with the architects, staff agreed stainless is a better product for the long term; and that Beckett and Raeder reviewed references provided by Sajdak Contractor, Prudenville, Michigan, and found positive performance reports on past projects.

City Councilmember Marshall moved that, seconded by City Councilmember Walker to authorize contracting with Sajdak Contractor, Prudenville, Michigan, for construction and replacement of the Sunset Park stair tower in the amount of \$ 489,000.

Said motion was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Hear Public Safety 2018 Annual Report Presentation**

Public Safety Director Matthew Breed gave a brief presentation concerning the department's 2018 annual statistics, programs and community engagement. Mr. Breed reviewed the annual report and answered questions.

**Approve MDNR Grant Applicant for Pickleball Courts – Resolution No. 19284**

The Parks and Recreation Director reviewed that the City is preparing a Michigan Department of Natural Resources (MDNR) Recreation Passport Grant application for the development of two pickleball courts at Riverbend Park. The Director reviewed that the City and Little Traverse Bay Pickleball Association have been fundraising and planning this project; that approximately \$90,000 has been raised through grant writing and fundraising efforts; that the City publicly bid the project and that the low bid of \$168,000 for two courts was substantially more than what could be afforded to build the courts; that there are still some small funding opportunities to pursue, but that there is not enough to build two courts without greater funding; and that the Parks and Recreation Commission supported the project and requested Council to support the grant submission for \$125,000 in funding, commit to the project match not to exceed \$100,000 and authorize staff to proceed with the project.

City Councilmember Walker moved that, seconded by City Councilmember Shumway adoption of the following resolution:

WHEREAS, the City of Petoskey Parks and Recreation Commission desires to enhance recreational and opportunities within its park system; and

WHEREAS, improvements at Riverbend Park would include two accessible pickleball courts, sidewalks and site work at an estimated project cost of \$225,000; and

WHEREAS, the Riverbend Pickleball Courts contributes to the goals and objectives identified in the 2018-2022 City of Petoskey's Parks and Recreation Master Plan, and also the Capital Improvement Plan outlining the need and the desire to develop this within our park system; and

WHEREAS, the State of Michigan Department of Natural Resources is accepting applications for funding assistance through the Michigan Natural Resources Recreation Passport Grant Program for park development projects contributing to the goals and objectives identified within the municipality's approved Parks and Recreation Master Plan; and

WHEREAS, the Parks and Recreation Commission, at its January 14, 2019 meeting, adopted a formal resolution in support of the project and requested that City Council adopt a resolution in support of the submission of the prepared grant application to the Michigan Department of Natural Resources Recreation Passport Grant for \$125,000 in funding, commit to the project match not to exceed \$100,000 and authorize Robert Straebel, City Manager, or his designee as the City's representative for the project; and

WHEREAS, further request that the City Council consider committing up to 44% local match, that being \$100,000, toward these improvements which are estimated at \$225,000:

NOW, THEREFORE, BE IT RESOLVED, that the City of Petoskey Parks and Recreation Commission, acting as appointed officials, request that the City of Petoskey City Council adopt a resolution to authorize Robert Straebel, City Manager, or his designee to serve as the City's representative for this project and authorize the submission of the application through the Recreation Passport Grant Program application and provide grant funding in the amount of \$125,000.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

#### **Approve Purchase of Liability and Property Insurance Coverage – Resolution No. 19285**

The Director of Finance reviewed that the City currently received liability and property insurance service through Peterson McGregor with coverage provided by Trident and Argonaut Insurance Companies and that Municipal Underwriters of West MI, Inc., who is the area representative for The Michigan Township Participating Plan (PAR), along with the MML-Meadowbrook Insurance, requested an opportunity to present a proposal to the City for liability and property insurance. The Director further reviewed that the City switched carriers in 2010 to Cadillac Insurance (now Peterson McGregor) from MML where the City had been for 21 years; that proposals were again obtained in 2016 when the City's insurance remained with Peterson McGregor; that the current policy expires March 31; that proposals were received from all three carriers and staff reviewed and compared coverages; and that the low bid was provided by The Michigan Municipal Underwriters of MI (PAR Plan) and was determined to meet the City's needs.

City Councilmember Marshall moved that, seconded by City Councilmember Dittmar adoption of the following resolution:

WHEREAS, as the City of Petoskey requested and received proposals for liability and property coverage, with coverage to begin on April 1, 2019; and

WHEREAS, the proposals were reviewed and determined to meet the City's insurance needs with the low amount being provided by Municipal Underwriters of West MI, Inc.:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council does and hereby authorizes obtaining liability and property insurance from Municipal Underwriters of West MI with coverage provided through The Michigan Township Participating Plan and totaling \$111,630 for 2019.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Council Comments**

Mayor Murphy reminded City Council that there is no meeting scheduled for the first Monday in April.

There being no further business to come before the City Council, this March 18, 2019, meeting of the City Council adjourned at 9:17 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
03/19	03/18/2019	83952	Health Department of	101-770-771.000	266.00- V
03/19	03/20/2019	84002	24/7 Sewer & Drain Cleaning	592-560-802.000	285.00
03/19	03/20/2019	84003	ACCESS LOCKSMITHING INC.	592-554-802.000	300.00
03/19	03/20/2019	84003	ACCESS LOCKSMITHING INC.	582-593-802.000	450.00
03/19	03/20/2019	84004	ACH-CHILD SUPPORT	701-000-230.160	160.23
03/19	03/20/2019	84005	ACH-EFTPS	701-000-230.200	11,652.63
03/19	03/20/2019	84005	ACH-EFTPS	701-000-230.200	2,725.23
03/19	03/20/2019	84005	ACH-EFTPS	701-000-230.100	18,615.51
03/19	03/20/2019	84005	ACH-EFTPS	701-000-230.200	2,725.23
03/19	03/20/2019	84005	ACH-EFTPS	701-000-230.200	11,652.63
03/19	03/20/2019	84006	ACH-ICMA 457	701-000-230.700	4,719.23
03/19	03/20/2019	84006	ACH-ICMA 457	701-000-230.700	1,801.50
03/19	03/20/2019	84007	Aflac	701-000-230.180	588.53
03/19	03/20/2019	84008	Airgas USA LLC	661-598-785.000	23.96
03/19	03/20/2019	84008	Airgas USA LLC	661-598-785.000	45.83
03/19	03/20/2019	84008	Airgas USA LLC	661-598-785.000	11.74
03/19	03/20/2019	84009	Alliance Entertainment	271-790-761.000	284.43
03/19	03/20/2019	84010	AllMax Software Inc.	592-554-802.000	1,220.00
03/19	03/20/2019	84011	American Waste	592-551-806.000	299.00
03/19	03/20/2019	84011	American Waste	101-770-802.000	150.00
03/19	03/20/2019	84011	American Waste	101-770-802.000	345.00
03/19	03/20/2019	84012	AT & T MOBILITY	514-587-920.000	363.70
03/19	03/20/2019	84013	AT&T	592-560-850.000	362.52
03/19	03/20/2019	84013	AT&T	592-558-920.000	177.81
03/19	03/20/2019	84014	Atchison Paper & Supply	271-790-751.000	31.20
03/19	03/20/2019	84015	Ballard's Plumbing & Heating	101-268-802.000	112.50
03/19	03/20/2019	84015	Ballard's Plumbing & Heating	101-268-930.000	9,976.00
03/19	03/20/2019	84016	Barrette, Terry	661-598-785.000	14.98
03/19	03/20/2019	84017	BILLER PRESS	101-345-751.000	504.83
03/19	03/20/2019	84018	Black Diamond Broadcasting	101-770-850.000	300.00
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-172-724.000	1,171.68
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-201-724.000	1,033.84
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-208-724.000	516.92
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-215-724.000	344.61
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-268-724.000	51.69
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-345-724.000	12,888.53
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-789-724.000	578.95
03/19	03/20/2019	84019	BLUE CARE NETWORK	271-790-724.000	2,205.52
03/19	03/20/2019	84019	BLUE CARE NETWORK	514-587-724.000	344.61
03/19	03/20/2019	84019	BLUE CARE NETWORK	582-588-724.000	1,171.68
03/19	03/20/2019	84019	BLUE CARE NETWORK	592-549-724.000	2,929.21
03/19	03/20/2019	84019	BLUE CARE NETWORK	592-560-724.000	1,033.84
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-400-724.000	344.61
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-441-724.000	1,447.38
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-754-724.000	1,085.53
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-756-724.000	1,636.89
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-770-724.000	1,981.54
03/19	03/20/2019	84019	BLUE CARE NETWORK	101-773-724.000	248.12
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	101-201-724.000	2,906.30
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	101-208-724.000	181.64
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	101-265-724.000	155.21
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	101-268-724.000	620.85

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	101-345-724.000	3,923.50
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	101-441-724.000	2,179.73
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	204-481-724.000	2,688.33
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	271-790-724.000	2,851.98
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	592-549-724.000	1,271.51
03/19	03/20/2019	84020	BLUE CROSS\BLUE SHIELD - MICH.	592-560-724.000	363.29
03/19	03/20/2019	84021	Bobcat of Lansing	661-598-931.000	126.94
03/19	03/20/2019	84021	Bobcat of Lansing	661-598-931.000	51.86
03/19	03/20/2019	84021	Bobcat of Lansing	661-598-931.000	141.50
03/19	03/20/2019	84021	Bobcat of Lansing	661-598-931.000	79.74
03/19	03/20/2019	84022	Carter's Imagewear & Awards	101-789-775.000	233.00
03/19	03/20/2019	84023	CCP Industries Inc.	661-598-785.000	131.25
03/19	03/20/2019	84024	Char-Em United Way	701-000-230.800	91.75
03/19	03/20/2019	84025	CLIA Laboratory Program	101-345-802.000	180.00
03/19	03/20/2019	84026	Contractors Supply Inc.	101-265-930.000	309.00
03/19	03/20/2019	84027	CynergyComm.net Inc.	271-790-850.000	262.78
03/19	03/20/2019	84028	Derrer Oil Co.	661-598-759.000	2,450.06
03/19	03/20/2019	84029	Dinges Fire Company	101-345-985.000	423.97
03/19	03/20/2019	84030	Dunkel Excavating Services Inc.	514-587-802.000	4,888.75
03/19	03/20/2019	84030	Dunkel Excavating Services Inc.	202-479-802.000	4,888.75
03/19	03/20/2019	84031	Emmet Brick & Block Co.	101-770-775.000	95.85
03/19	03/20/2019	84032	EMMET COUNTY	101-400-912.000	413.43
03/19	03/20/2019	84033	Englebrecht, Robert	101-257-802.100	3,750.00
03/19	03/20/2019	84034	Eyes Only Media LLC	248-540-882.180	180.00
03/19	03/20/2019	84035	Gale/Cengage Learning	271-790-760.000	24.69
03/19	03/20/2019	84035	Gale/Cengage Learning	271-790-760.000	43.54
03/19	03/20/2019	84035	Gale/Cengage Learning	271-790-760.000	20.79
03/19	03/20/2019	84035	Gale/Cengage Learning	271-790-760.000	42.88
03/19	03/20/2019	84035	Gale/Cengage Learning	271-790-760.000	48.73
03/19	03/20/2019	84036	Gibby's Garage	661-598-931.000	204.00
03/19	03/20/2019	84036	Gibby's Garage	582-593-930.000	68.00
03/19	03/20/2019	84036	Gibby's Garage	202-475-802.000	238.00
03/19	03/20/2019	84036	Gibby's Garage	582-593-930.000	136.00
03/19	03/20/2019	84036	Gibby's Garage	661-598-931.000	136.00
03/19	03/20/2019	84036	Gibby's Garage	661-598-932.000	510.00
03/19	03/20/2019	84036	Gibby's Garage	661-598-931.000	442.00
03/19	03/20/2019	84036	Gibby's Garage	661-598-932.000	408.00
03/19	03/20/2019	84036	Gibby's Garage	661-598-931.000	442.00
03/19	03/20/2019	84036	Gibby's Garage	661-598-932.000	680.00
03/19	03/20/2019	84037	Gordon Food Service	101-770-771.000	27.93
03/19	03/20/2019	84037	Gordon Food Service	592-554-775.000	49.03
03/19	03/20/2019	84037	Gordon Food Service	101-770-771.000	138.83
03/19	03/20/2019	84038	Great Lakes Energy	592-538-920.000	377.67
03/19	03/20/2019	84038	Great Lakes Energy	592-538-920.000	90.06
03/19	03/20/2019	84038	Great Lakes Energy	592-558-920.000	115.93
03/19	03/20/2019	84038	Great Lakes Energy	592-558-920.000	127.11
03/19	03/20/2019	84038	Great Lakes Energy	101-345-920.100	504.46
03/19	03/20/2019	84039	Greenwell Machine Shop	202-475-775.000	68.32
03/19	03/20/2019	84040	HAALCK, FRED	101-345-912.000	32.23
03/19	03/20/2019	84041	Haviland Products Company	592-551-783.000	600.00
03/19	03/20/2019	84041	Haviland Products Company	592-551-783.000	4,951.80
03/19	03/20/2019	84041	Haviland Products Company	592-551-783.000	4,765.34



GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
03/19	03/20/2019	84042	Hayes Precision, Inc.	661-598-931.000	59.23
03/19	03/20/2019	84043	Health Department of	101-770-771.000	266.00
03/19	03/20/2019	84044	HOME DEPOT	101-789-775.000	1,190.12
03/19	03/20/2019	84044	HOME DEPOT	101-754-775.000	2,380.23
03/19	03/20/2019	84044	HOME DEPOT	101-773-775.000	396.70
03/19	03/20/2019	84045	Hyde Services LLC	661-598-932.000	242.40
03/19	03/20/2019	84046	ICMA-ROTH	701-000-230.900	440.00
03/19	03/20/2019	84047	K & J Septic Service LLC	592-554-802.000	510.00
03/19	03/20/2019	84048	Kring Chevrolet Cadillac, Dave	661-598-932.000	1,322.30
03/19	03/20/2019	84049	KSS Enterprises	101-268-775.000	72.03
03/19	03/20/2019	84049	KSS Enterprises	271-790-752.000	141.51
03/19	03/20/2019	84049	KSS Enterprises	271-790-752.000	52.52
03/19	03/20/2019	84050	LexisNexis Risk Data Management Inc.	514-587-802.000	50.00
03/19	03/20/2019	84051	MACDONALD GARBER BROADCASTING	248-540-882.180	2,500.00
03/19	03/20/2019	84052	McCardel Culligan	514-587-802.100	32.50
03/19	03/20/2019	84053	Meengs, William	101-257-802.200	200.00
03/19	03/20/2019	84054	Michigan Officeways Inc.	101-201-751.000	5.53
03/19	03/20/2019	84054	Michigan Officeways Inc.	271-790-751.000	38.43
03/19	03/20/2019	84055	MITCHELL GRAPHICS INC.	101-756-802.000	1,507.20
03/19	03/20/2019	84056	MOORE MEDICAL LLC	101-345-775.000	323.95
03/19	03/20/2019	84057	Mountaintop Tree Company	101-770-802.100	300.00
03/19	03/20/2019	84058	Nachtrab, Joseph	101-257-802.200	200.00
03/19	03/20/2019	84059	New Pig Corporation	101-789-775.000	426.08
03/19	03/20/2019	84060	North Country IT	271-790-931.000	386.00
03/19	03/20/2019	84061	North Country Publishing Corp.	248-540-882.180	200.00
03/19	03/20/2019	84061	North Country Publishing Corp.	248-540-882.180	200.00
03/19	03/20/2019	84062	Northern Gale Cleaning & Property Mgmt	271-790-802.000	225.00
03/19	03/20/2019	84063	Northern Michigan Review Inc.	271-790-905.000	212.80
03/19	03/20/2019	84064	OVERHEAD DOOR	271-790-930.000	395.00
03/19	03/20/2019	84064	OVERHEAD DOOR	271-790-930.000	3,060.00
03/19	03/20/2019	84065	Penguin Random House	271-790-761.000	26.25
03/19	03/20/2019	84066	Peninsula Fiber Network LLC	271-790-850.000	150.00
03/19	03/20/2019	84067	Power Line Supply	582-010-111.000	12,292.00
03/19	03/20/2019	84067	Power Line Supply	582-010-111.000	878.00
03/19	03/20/2019	84067	Power Line Supply	582-586-775.000	768.00
03/19	03/20/2019	84067	Power Line Supply	582-010-111.000	497.10
03/19	03/20/2019	84067	Power Line Supply	582-593-785.000	798.00
03/19	03/20/2019	84067	Power Line Supply	582-010-111.000	999.70
03/19	03/20/2019	84067	Power Line Supply	582-590-775.000	117.87
03/19	03/20/2019	84067	Power Line Supply	582-010-111.000	362.50
03/19	03/20/2019	84067	Power Line Supply	582-010-111.000	7,680.00
03/19	03/20/2019	84067	Power Line Supply	582-010-111.000	19,560.00
03/19	03/20/2019	84068	PRANTERA, MARY SUE	271-790-912.000	77.14
03/19	03/20/2019	84069	Proclean North	592-554-802.000	861.00
03/19	03/20/2019	84069	Proclean North	582-593-930.000	1,330.00
03/19	03/20/2019	84070	Range Telecommunications	101-756-850.000	25.00
03/19	03/20/2019	84070	Range Telecommunications	204-481-850.000	100.00
03/19	03/20/2019	84070	Range Telecommunications	582-593-850.000	150.00
03/19	03/20/2019	84070	Range Telecommunications	592-549-850.000	100.00
03/19	03/20/2019	84070	Range Telecommunications	592-560-850.000	50.00
03/19	03/20/2019	84070	Range Telecommunications	661-598-850.000	10.80
03/19	03/20/2019	84071	Renkes, Tom	248-739-880.200	300.00

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03/19	03/20/2019	84072	SCHOOL LIBRARY JOURNAL	271-790-760.400	99.99
03/19	03/20/2019	84073	Sign & Design	592-542-775.000	135.00
03/19	03/20/2019	84074	Spectrum Business	101-345-850.000	59.48
03/19	03/20/2019	84074	Spectrum Business	514-587-802.100	110.05
03/19	03/20/2019	84074	Spectrum Business	101-789-850.000	21.99
03/19	03/20/2019	84074	Spectrum Business	101-345-850.100	162.09
03/19	03/20/2019	84074	Spectrum Business	101-770-850.000	99.98
03/19	03/20/2019	84074	Spectrum Business	582-588-850.000	84.99
03/19	03/20/2019	84075	STAFFORD'S HOSPITALITY	248-739-880.200	149.00
03/19	03/20/2019	84076	Taylor Rental Center	248-540-882.180	699.70
03/19	03/20/2019	84077	Thompson, William S.	514-587-802.100	760.97
03/19	03/20/2019	84078	Thru Glass Window Cleaning	514-587-802.100	25.00
03/19	03/20/2019	84079	Traffic & Safety Control Systems Inc.	514-587-802.000	81.00
03/19	03/20/2019	84080	Trophy Case, The	101-756-808.030	145.00
03/19	03/20/2019	84081	Truck & Trailer Specialties	661-598-931.000	353.16
03/19	03/20/2019	84081	Truck & Trailer Specialties	661-598-932.000	100.56
03/19	03/20/2019	84082	Up North Service LLC	514-587-802.000	4,213.69
03/19	03/20/2019	84083	Wurster, Joel	101-257-802.200	200.00
03/19	03/20/2019	84084	Consumers Energy	592-538-920.000	4,205.70
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	101-215-801.000	1,197.92
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	204-481-801.000	264.31
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	204-481-801.000	62.66
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	204-481-801.000	355.72
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	271-790-801.000	200.28
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	211-441-802.000	277.90
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	514-587-801.000	109.82
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	582-598-802.000	1,617.34
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	592-549-802.000	344.21
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	592-560-802.000	436.26
03/19	03/20/2019	84085	DENNIS GARTLAND & NIERGARTH	661-598-801.000	133.58
03/19	03/27/2019	84086	24/7 Sewer & Drain Cleaning	582-586-802.000	170.00
03/19	03/27/2019	84087	5 Alarm Fire & Safety Equipment	101-345-802.000	2,497.48
03/19	03/27/2019	84088	All-Phase Electric Supply	582-586-775.000	11.04-
03/19	03/27/2019	84088	All-Phase Electric Supply	582-586-775.000	50.80
03/19	03/27/2019	84088	All-Phase Electric Supply	101-268-775.000	30.70
03/19	03/27/2019	84089	Amazon Credit Plan	582-584-775.000	633.94
03/19	03/27/2019	84089	Amazon Credit Plan	582-588-802.000	2,768.58
03/19	03/27/2019	84090	American Waste	582-593-802.000	150.00
03/19	03/27/2019	84091	AT&T	592-538-850.000	186.76
03/19	03/27/2019	84092	AT&T LONG DISTANCE	101-345-850.000	43.98
03/19	03/27/2019	84093	Atchison Paper & Supply	271-790-751.000	98.83
03/19	03/27/2019	84094	Ballard's Plumbing & Heating	101-268-802.000	313.72
03/19	03/27/2019	84095	CDW Government	582-584-775.000	261.59
03/19	03/27/2019	84096	Cintas Corp #729	101-268-802.000	14.79
03/19	03/27/2019	84096	Cintas Corp #729	582-593-802.000	27.93
03/19	03/27/2019	84096	Cintas Corp #729	204-481-767.000	54.52
03/19	03/27/2019	84096	Cintas Corp #729	582-588-767.000	45.94
03/19	03/27/2019	84096	Cintas Corp #729	592-560-767.000	28.09
03/19	03/27/2019	84096	Cintas Corp #729	592-549-767.000	28.09
03/19	03/27/2019	84096	Cintas Corp #729	204-481-767.000	54.52
03/19	03/27/2019	84096	Cintas Corp #729	582-588-767.000	45.94
03/19	03/27/2019	84096	Cintas Corp #729	592-560-767.000	28.09

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03/19	03/27/2019	84096	Cintas Corp #729	592-549-767.000	28.09
03/19	03/27/2019	84096	Cintas Corp #729	592-554-802.000	43.28
03/19	03/27/2019	84096	Cintas Corp #729	101-268-802.000	14.79
03/19	03/27/2019	84096	Cintas Corp #729	582-593-802.000	29.77
03/19	03/27/2019	84096	Cintas Corp #729	204-481-767.000	54.52
03/19	03/27/2019	84096	Cintas Corp #729	582-588-767.000	45.94
03/19	03/27/2019	84096	Cintas Corp #729	592-560-767.000	28.09
03/19	03/27/2019	84096	Cintas Corp #729	592-549-767.000	28.09
03/19	03/27/2019	84096	Cintas Corp #729	592-554-802.000	41.44
03/19	03/27/2019	84097	Cintas Corporation	661-598-767.000	50.43
03/19	03/27/2019	84098	COMPASS MINERALS AMERICA	204-010-111.000	20,785.51
03/19	03/27/2019	84098	COMPASS MINERALS AMERICA	204-010-111.000	4,207.02
03/19	03/27/2019	84098	COMPASS MINERALS AMERICA	204-010-111.000	16,872.20
03/19	03/27/2019	84098	COMPASS MINERALS AMERICA	204-010-111.000	12,400.39
03/19	03/27/2019	84099	Complete Paint & Supplies	582-586-775.000	27.98
03/19	03/27/2019	84099	Complete Paint & Supplies	101-268-775.000	46.54
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	198.99
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	208.20
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	543.44
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	779.33
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	89.44
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	192.60
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	216.41
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	204.06
03/19	03/27/2019	84100	Consumers Energy	592-558-920.000	166.84
03/19	03/27/2019	84100	Consumers Energy	202-475-920.000	83.17
03/19	03/27/2019	84101	Contractors Supply Inc.	101-345-775.000	70.00
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	701-000-230.190	1,885.15
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-172-724.000	19.16
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-201-724.000	44.89
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-208-724.000	21.35
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-215-724.000	21.35
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	514-587-724.000	15.81
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	582-588-724.000	44.55
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	592-549-724.000	59.67
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	592-560-724.000	19.16
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-756-724.000	18.20
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-770-724.000	32.57
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-773-724.000	2.87
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-789-724.000	6.71
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	204-481-724.000	68.43
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	271-790-724.000	78.83
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-265-724.000	4.79
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-268-724.000	11.98
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-345-724.000	523.34
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-400-724.000	9.58
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-441-724.000	32.57
03/19	03/27/2019	84102	Dearborn National Life Insurance Co	101-754-724.000	5.27
03/19	03/27/2019	84103	Decka Digital LLC	101-756-808.010	415.00
03/19	03/27/2019	84104	Delta Dental	701-000-230.110	1,366.64
03/19	03/27/2019	84104	Delta Dental	101-172-724.000	49.38
03/19	03/27/2019	84104	Delta Dental	101-201-724.000	237.08

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03/19	03/27/2019	84104	Delta Dental	101-208-724.000	50.80
03/19	03/27/2019	84104	Delta Dental	101-215-724.000	1.02
03/19	03/27/2019	84104	Delta Dental	101-265-724.000	23.52
03/19	03/27/2019	84104	Delta Dental	582-588-724.000	52.32
03/19	03/27/2019	84104	Delta Dental	592-549-724.000	220.19
03/19	03/27/2019	84104	Delta Dental	592-560-724.000	74.12
03/19	03/27/2019	84104	Delta Dental	101-770-724.000	116.21
03/19	03/27/2019	84104	Delta Dental	101-773-724.000	10.57
03/19	03/27/2019	84104	Delta Dental	101-789-724.000	24.67
03/19	03/27/2019	84104	Delta Dental	204-481-724.000	129.95
03/19	03/27/2019	84104	Delta Dental	271-790-724.000	247.00
03/19	03/27/2019	84104	Delta Dental	514-587-724.000	17.45
03/19	03/27/2019	84104	Delta Dental	101-268-724.000	47.29
03/19	03/27/2019	84104	Delta Dental	101-345-724.000	857.89
03/19	03/27/2019	84104	Delta Dental	101-400-724.000	19.20
03/19	03/27/2019	84104	Delta Dental	101-441-724.000	261.50
03/19	03/27/2019	84104	Delta Dental	101-754-724.000	24.59
03/19	03/27/2019	84104	Delta Dental	101-756-724.000	85.77
03/19	03/27/2019	84105	Derrer Oil Co.	661-598-759.000	3,076.11
03/19	03/27/2019	84106	DTE Energy	592-538-920.000	88.11
03/19	03/27/2019	84106	DTE Energy	101-265-924.000	862.88
03/19	03/27/2019	84106	DTE Energy	582-593-924.000	2,135.95
03/19	03/27/2019	84106	DTE Energy	101-773-924.000	32.81
03/19	03/27/2019	84106	DTE Energy	101-265-924.000	332.80
03/19	03/27/2019	84106	DTE Energy	592-538-920.000	119.89
03/19	03/27/2019	84106	DTE Energy	592-555-920.000	39.76
03/19	03/27/2019	84106	DTE Energy	592-538-920.000	232.38
03/19	03/27/2019	84106	DTE Energy	101-345-920.000	1,544.87
03/19	03/27/2019	84106	DTE Energy	592-551-920.000	4,252.44
03/19	03/27/2019	84106	DTE Energy	592-551-920.000	4,917.88
03/19	03/27/2019	84106	DTE Energy	271-790-924.000	516.50
03/19	03/27/2019	84106	DTE Energy	592-538-920.000	72.86
03/19	03/27/2019	84106	DTE Energy	271-790-924.000	1,606.51
03/19	03/27/2019	84106	DTE Energy	101-345-920.100	1,375.15
03/19	03/27/2019	84106	DTE Energy	101-268-924.000	187.89
03/19	03/27/2019	84106	DTE Energy	101-770-924.000	540.64
03/19	03/27/2019	84106	DTE Energy	592-558-920.000	32.81
03/19	03/27/2019	84106	DTE Energy	514-587-802.100	172.64
03/19	03/27/2019	84107	Fastenal Company	204-481-767.000	18.53
03/19	03/27/2019	84108	FERGUSON ENTERPRISES #2000	101-268-930.000	1,399.00
03/19	03/27/2019	84109	FIVE STAR SCREEN PRINTING PLUS	101-756-808.110	73.00
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	592-554-775.000	353.33
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	13.30
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	8.49
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-932.000	17.00
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	7.42
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-931.000	2.94
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-932.000	11.09
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	9.91
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-785.000	46.49
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	85.20
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-759.000	68.49

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03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-785.000	47.88
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	41.60
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-932.000	45.84
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	592-558-775.000	52.20
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	45.32
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-932.000	30.96
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	13.30
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-932.000	1.72-
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-931.000	10.14-
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-931.000	9.93
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	9.77
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-931.000	4.95
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	56.66
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	202-475-775.000	11.04
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-785.000	34.00
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	5.10
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	101-770-775.000	534.50
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-598-785.000	13.08
03/19	03/27/2019	84110	Fochtman's Auto & Truck Parts	661-010-111.000	4.61
03/19	03/27/2019	84111	Ginop Sales Inc.	661-598-931.000	91.28
03/19	03/27/2019	84111	Ginop Sales Inc.	661-598-931.000	186.20
03/19	03/27/2019	84111	Ginop Sales Inc.	661-598-931.000	53.84
03/19	03/27/2019	84111	Ginop Sales Inc.	661-598-931.000	93.80
03/19	03/27/2019	84111	Ginop Sales Inc.	661-598-931.000	123.20
03/19	03/27/2019	84112	Great Lakes Pipe & Supply	592-554-775.000	8.97
03/19	03/27/2019	84113	GRP Engineering Inc.	582-588-802.000	310.00
03/19	03/27/2019	84113	GRP Engineering Inc.	582-588-802.000	310.00
03/19	03/27/2019	84113	GRP Engineering Inc.	582-588-802.000	3,330.00
03/19	03/27/2019	84113	GRP Engineering Inc.	582-588-802.000	310.00
03/19	03/27/2019	84114	JanWay Corporation USA, Inc.	271-790-751.000	945.40
03/19	03/27/2019	84114	JanWay Corporation USA, Inc.	271-790-751.000	32.40-
03/19	03/27/2019	84115	John E. Green Co.	271-790-930.000	255.00
03/19	03/27/2019	84116	Johnstone Supply #234	101-770-775.000	18.86
03/19	03/27/2019	84116	Johnstone Supply #234	101-770-775.000	5.29
03/19	03/27/2019	84117	K & J Septic Service LLC	101-265-970.000	435.00
03/19	03/27/2019	84117	K & J Septic Service LLC	592-554-802.000	1,950.00
03/19	03/27/2019	84118	KORTHASEFLINN	101-172-724.000	7.72
03/19	03/27/2019	84118	KORTHASEFLINN	101-201-724.000	15.42
03/19	03/27/2019	84118	KORTHASEFLINN	101-208-724.000	11.57
03/19	03/27/2019	84118	KORTHASEFLINN	101-215-724.000	7.72
03/19	03/27/2019	84118	KORTHASEFLINN	101-265-724.000	11.57
03/19	03/27/2019	84118	KORTHASEFLINN	101-268-724.000	15.43
03/19	03/27/2019	84118	KORTHASEFLINN	592-560-724.000	11.57
03/19	03/27/2019	84118	KORTHASEFLINN	101-773-724.000	3.86
03/19	03/27/2019	84118	KORTHASEFLINN	101-789-724.000	3.86
03/19	03/27/2019	84118	KORTHASEFLINN	204-481-724.000	26.99
03/19	03/27/2019	84118	KORTHASEFLINN	271-790-724.000	23.13
03/19	03/27/2019	84118	KORTHASEFLINN	582-588-724.000	15.43
03/19	03/27/2019	84118	KORTHASEFLINN	592-549-724.000	23.13
03/19	03/27/2019	84118	KORTHASEFLINN	101-345-724.000	73.23
03/19	03/27/2019	84118	KORTHASEFLINN	101-400-724.000	3.85
03/19	03/27/2019	84118	KORTHASEFLINN	101-441-724.000	7.72



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03/19	03/27/2019	84118	KORTHASEFLINN	101-754-724.000	7.72
03/19	03/27/2019	84118	KORTHASEFLINN	101-756-724.000	15.43
03/19	03/27/2019	84118	KORTHASEFLINN	101-770-724.000	11.57
03/19	03/27/2019	84119	LexisNexis Risk Data Management Inc.	101-208-802.000	50.00
03/19	03/27/2019	84120	Meyer Ace Hardware	271-790-752.000	3.23
03/19	03/27/2019	84120	Meyer Ace Hardware	101-268-775.000	17.98
03/19	03/27/2019	84120	Meyer Ace Hardware	592-554-775.000	32.53
03/19	03/27/2019	84120	Meyer Ace Hardware	101-770-775.000	.63
03/19	03/27/2019	84120	Meyer Ace Hardware	101-770-775.000	8.99
03/19	03/27/2019	84120	Meyer Ace Hardware	271-790-751.000	11.69
03/19	03/27/2019	84120	Meyer Ace Hardware	271-790-958.100	5.03
03/19	03/27/2019	84120	Meyer Ace Hardware	271-790-752.000	46.34
03/19	03/27/2019	84120	Meyer Ace Hardware	101-268-775.000	18.07
03/19	03/27/2019	84120	Meyer Ace Hardware	592-554-775.000	20.67
03/19	03/27/2019	84120	Meyer Ace Hardware	661-598-932.000	4.13
03/19	03/27/2019	84120	Meyer Ace Hardware	592-545-775.000	28.78
03/19	03/27/2019	84120	Meyer Ace Hardware	202-479-775.000	19.79
03/19	03/27/2019	84120	Meyer Ace Hardware	101-268-775.000	17.08
03/19	03/27/2019	84120	Meyer Ace Hardware	101-268-775.000	9.18
03/19	03/27/2019	84120	Meyer Ace Hardware	592-554-775.000	5.03
03/19	03/27/2019	84120	Meyer Ace Hardware	592-560-751.000	10.79
03/19	03/27/2019	84120	Meyer Ace Hardware	592-551-775.000	23.38
03/19	03/27/2019	84121	MICHIGAN ASSOCIATION OF	101-345-915.000	100.00
03/19	03/27/2019	84122	Michigan Water Environment Assoc.	592-560-915.000	320.00
03/19	03/27/2019	84123	North Central Laboratories	592-553-775.000	776.86
03/19	03/27/2019	84124	Northern Michigan Review Inc.	101-770-850.000	55.80
03/19	03/27/2019	84124	Northern Michigan Review Inc.	101-215-802.000	126.80
03/19	03/27/2019	84124	Northern Michigan Review Inc.	101-215-802.000	182.28
03/19	03/27/2019	84124	Northern Michigan Review Inc.	101-257-802.000	130.77
03/19	03/27/2019	84124	Northern Michigan Review Inc.	271-790-905.000	140.00
03/19	03/27/2019	84125	Northland Self Storage LLC	592-554-802.000	147.00-
03/19	03/27/2019	84125	Northland Self Storage LLC	592-554-802.000	147.00
03/19	03/27/2019	84126	Peerless Midwest Inc.	592-537-775.000	1,867.00
03/19	03/27/2019	84127	Petoskey Youth Volleyball	101-756-808.150	1,512.00
03/19	03/27/2019	84128	PIONEER MANUFACTURING COMPANY	101-756-775.000	4,342.70
03/19	03/27/2019	84129	Power Line Supply	582-586-775.000	160.00
03/19	03/27/2019	84129	Power Line Supply	582-010-111.000	2,404.00
03/19	03/27/2019	84130	Preston Feather	592-554-775.000	44.08
03/19	03/27/2019	84130	Preston Feather	202-475-775.000	20.74
03/19	03/27/2019	84130	Preston Feather	101-268-775.000	7.99
03/19	03/27/2019	84130	Preston Feather	661-598-785.000	7.47
03/19	03/27/2019	84131	ROYAL TIRE	661-598-932.000	64.00
03/19	03/27/2019	84132	SiteOne Landscape Supply	101-770-775.000	1,125.14
03/19	03/27/2019	84133	Solutions Electric Inc.	101-345-775.000	475.00
03/19	03/27/2019	84134	Spectrum Business	582-588-850.000	84.99
03/19	03/27/2019	84135	Spok	204-481-850.000	26.43
03/19	03/27/2019	84135	Spok	582-588-850.000	26.43
03/19	03/27/2019	84135	Spok	592-549-850.000	26.43
03/19	03/27/2019	84135	Spok	592-560-850.000	26.44
03/19	03/27/2019	84135	Spok	661-598-850.000	26.44
03/19	03/27/2019	84136	Standard Electric Company	582-590-775.000	185.19
03/19	03/27/2019	84136	Standard Electric Company	101-268-775.000	37.97

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03/19	03/27/2019	84136	Standard Electric Company	582-584-775.000	297.15
03/19	03/27/2019	84136	Standard Electric Company	582-590-775.000	829.48
03/19	03/27/2019	84137	Staples Advantage	592-549-751.000	260.54
03/19	03/27/2019	84137	Staples Advantage	592-560-751.000	260.53
03/19	03/27/2019	84137	Staples Advantage	101-345-751.000	36.73
03/19	03/27/2019	84137	Staples Advantage	101-215-751.000	71.66
03/19	03/27/2019	84137	Staples Advantage	101-268-775.000	269.69
03/19	03/27/2019	84137	Staples Advantage	101-215-751.000	95.99
03/19	03/27/2019	84137	Staples Advantage	101-268-970.000	1,874.51
03/19	03/27/2019	84137	Staples Advantage	101-268-775.000	22.48
03/19	03/27/2019	84138	State of Michigan - MDOT	202-451-802.000	3,596.08
03/19	03/27/2019	84138	State of Michigan - MDOT	592-020-342.000	30,525.60
03/19	03/27/2019	84138	State of Michigan - MDOT	592-020-342.000	1,231.68
03/19	03/27/2019	84138	State of Michigan - MDOT	592-025-343.000	1,403.55
03/19	03/27/2019	84138	State of Michigan - MDOT	582-020-360.000	229.16
03/19	03/27/2019	84139	Teledyne Instruments Inc.	592-551-775.000	348.00
03/19	03/27/2019	84140	Temperature Control Inc.	592-554-802.000	313.50
03/19	03/27/2019	84140	Temperature Control Inc.	592-554-802.000	490.50
03/19	03/27/2019	84141	Truck & Trailer Specialties	661-020-140.000	71,883.36
03/19	03/27/2019	84142	Valley City Linen	271-790-752.000	25.00
03/19	03/27/2019	84142	Valley City Linen	271-790-752.000	25.00
03/19	03/27/2019	84142	Valley City Linen	271-790-752.000	25.00
03/19	03/27/2019	84142	Valley City Linen	271-790-752.000	25.00
03/19	03/27/2019	84143	Voss Lighting	582-590-775.000	223.80
03/19	03/27/2019	84144	WINEGUYS RESTAURANT GROUP	248-540-882.180	441.00
03/19	03/27/2019	84145	Etna Supply	592-546-775.000	375.88
03/19	03/27/2019	84145	Etna Supply	592-551-775.000	448.73
03/19	03/27/2019	84145	Etna Supply	582-592-775.000	53.00
03/19	03/27/2019	84145	Etna Supply	592-544-775.000	312.00
03/19	03/27/2019	84145	Etna Supply	592-551-775.000	101.35
03/19	03/27/2019	84145	Etna Supply	592-551-775.000	216.89
03/19	03/27/2019	84145	Etna Supply	592-551-775.000	374.52
03/19	03/27/2019	84145	Etna Supply	592-010-111.000	1,920.00
03/19	03/27/2019	84145	Etna Supply	592-546-775.000	93.00
03/19	03/27/2019	84145	Etna Supply	592-551-775.000	36.60
03/19	03/27/2019	84145	Etna Supply	592-544-775.000	312.00-
03/19	03/27/2019	84146	Kolinske, Chrissy	101-756-808.010	33.00
03/19	03/27/2019	84147	Lakeshore Learning	271-790-958.000	35.48
03/19	03/27/2019	84148	State of Michigan	661-598-931.000	6.00
04/19	04/03/2019	84162	ACH-CHILD SUPPORT	701-000-230.160	160.23- V
04/19	04/03/2019	84162	ACH-CHILD SUPPORT	701-000-230.160	160.23
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.200	2,705.96
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.200	2,705.96- V
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.100	18,623.74
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.100	18,623.74- V
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.200	2,705.96
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.200	2,705.96- V
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.200	11,570.26
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.200	11,570.26- V
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.200	11,570.26
04/19	04/03/2019	84163	ACH-EFTPS	701-000-230.200	11,570.26- V
04/19	04/03/2019	84164	ACH-ICMA 457	701-000-230.700	1,729.86

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04/19	04/03/2019	84164	ACH-ICMA 457	701-000-230.700	1,729.86- V
04/19	04/03/2019	84164	ACH-ICMA 457	701-000-230.700	4,719.23
04/19	04/03/2019	84164	ACH-ICMA 457	701-000-230.700	4,719.23- V
04/19	04/03/2019	84165	Alliance Entertainment	271-790-761.100	98.33
04/19	04/03/2019	84165	Alliance Entertainment	271-790-761.000	327.96
04/19	04/03/2019	84166	Amazon Credit Plan	271-790-986.000	35.56
04/19	04/03/2019	84166	Amazon Credit Plan	271-790-986.000	68.95
04/19	04/03/2019	84166	Amazon Credit Plan	271-790-761.200	201.87
04/19	04/03/2019	84166	Amazon Credit Plan	271-790-760.000	13.69
04/19	04/03/2019	84166	Amazon Credit Plan	271-790-986.000	399.99-
04/19	04/03/2019	84166	Amazon Credit Plan	271-790-752.000	89.99
04/19	04/03/2019	84166	Amazon Credit Plan	271-790-986.000	549.99
04/19	04/03/2019	84166	Amazon Credit Plan	271-790-986.000	399.99
04/19	04/03/2019	84167	AT&T	101-172-850.000	408.21
04/19	04/03/2019	84167	AT&T	101-201-850.000	217.71
04/19	04/03/2019	84167	AT&T	101-208-850.000	136.07
04/19	04/03/2019	84167	AT&T	101-257-850.000	136.07
04/19	04/03/2019	84167	AT&T	101-215-850.000	108.86
04/19	04/03/2019	84167	AT&T	101-345-850.000	299.36
04/19	04/03/2019	84167	AT&T	592-538-850.000	177.81
04/19	04/03/2019	84167	AT&T	582-593-850.000	108.86
04/19	04/03/2019	84167	AT&T	592-549-850.000	163.29
04/19	04/03/2019	84167	AT&T	592-560-850.000	163.29
04/19	04/03/2019	84167	AT&T	592-560-850.000	140.98
04/19	04/03/2019	84167	AT&T	592-558-920.000	181.36
04/19	04/03/2019	84167	AT&T	592-538-850.000	177.81
04/19	04/03/2019	84167	AT&T	101-400-850.000	136.07
04/19	04/03/2019	84167	AT&T	101-756-850.000	163.29
04/19	04/03/2019	84167	AT&T	101-441-850.000	244.93
04/19	04/03/2019	84167	AT&T	204-481-850.000	81.64
04/19	04/03/2019	84167	AT&T	204-481-850.000	81.64
04/19	04/03/2019	84167	AT&T	582-588-850.000	272.14
04/19	04/03/2019	84168	Barrette, Terry	204-481-850.000	120.00
04/19	04/03/2019	84169	Beckett & Raeder Inc.	247-751-802.000	3,760.59
04/19	04/03/2019	84169	Beckett & Raeder Inc.	101-265-970.000	420.00
04/19	04/03/2019	84169	Beckett & Raeder Inc.	101-770-802.000	2,520.00
04/19	04/03/2019	84170	Breed, Matthew	101-345-850.000	120.00
04/19	04/03/2019	84171	CARRIER & GABLE INC.	582-590-775.000	647.45
04/19	04/03/2019	84172	CCP Industries Inc.	582-586-775.000	467.43
04/19	04/03/2019	84173	Char-Em United Way	701-000-230.800	91.75
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	101-265-920.000	782.15
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	101-268-920.000	998.27
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	101-345-920.000	3,037.68
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	101-345-920.100	433.95
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	101-754-920.000	28.05
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	101-770-920.000	2,265.40
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	592-555-920.000	769.19
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	514-587-920.000	69.54
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	582-586-920.000	93.20
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	582-593-920.000	1,498.10
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	592-538-920.000	7,779.44
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	592-542-920.000	93.19

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04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	592-551-920.000	13,052.93
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	101-773-920.000	309.65
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	101-789-920.000	1,706.01
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	202-475-920.000	157.50
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	204-448-920.000	2,700.00
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	271-790-920.000	2,160.46
04/19	04/03/2019	84174	CITY TREAS. FOR UTILITY BILLS	514-587-802.100	56.83
04/19	04/03/2019	84175	CONTI, JOSEPH	101-268-850.000	120.00
04/19	04/03/2019	84176	Dare Development III	582-081-642.300	40.33
04/19	04/03/2019	84177	Davis, Jeff	582-588-850.000	120.00
04/19	04/03/2019	84178	Derrer Oil Co.	661-598-759.000	1,750.73
04/19	04/03/2019	84179	DEVON TITLE AGENCY	582-081-642.300	147.00
04/19	04/03/2019	84180	Dripworks	582-081-642.300	94.73
04/19	04/03/2019	84181	Ducastel, Barbara	271-790-802.000	180.00
04/19	04/03/2019	84182	Elliott, Sherrie	592-560-850.000	120.00
04/19	04/03/2019	84183	Empiric Solutions Inc.	101-228-802.000	8,654.00
04/19	04/03/2019	84184	Englebrecht, Robert	101-257-802.100	3,750.00
04/19	04/03/2019	84185	Environmental Resource Assoc.	592-553-801.000	1,445.27
04/19	04/03/2019	84186	Eramosa International Inc.	592-549-802.000	2,500.00
04/19	04/03/2019	84187	Fate, Jason	101-441-850.000	120.00
04/19	04/03/2019	84188	Flynn, Martin	592-549-850.000	120.00
04/19	04/03/2019	84189	Fraternal Order of Police	701-000-230.400	924.00
04/19	04/03/2019	84190	FROMUTH	101-756-778.000	53.55
04/19	04/03/2019	84191	Gibby's Garage	661-598-931.000	204.00
04/19	04/03/2019	84191	Gibby's Garage	661-598-932.000	442.00
04/19	04/03/2019	84191	Gibby's Garage	202-475-802.000	102.00
04/19	04/03/2019	84191	Gibby's Garage	661-598-931.000	476.00
04/19	04/03/2019	84191	Gibby's Garage	661-598-932.000	714.00
04/19	04/03/2019	84191	Gibby's Garage	582-593-930.000	68.00
04/19	04/03/2019	84191	Gibby's Garage	661-598-931.000	680.00
04/19	04/03/2019	84191	Gibby's Garage	661-598-932.000	204.00
04/19	04/03/2019	84191	Gibby's Garage	582-593-930.000	34.00
04/19	04/03/2019	84191	Gibby's Garage	661-598-931.000	238.00
04/19	04/03/2019	84191	Gibby's Garage	661-598-932.000	102.00
04/19	04/03/2019	84192	Gibson Excavating LLC	592-544-802.000	3,025.00
04/19	04/03/2019	84193	Glaser, Helen	271-790-802.000	300.00
04/19	04/03/2019	84194	Graham Construction Corp.	204-444-802.000	15,254.74
04/19	04/03/2019	84194	Graham Construction Corp.	204-470-802.000	2,639.66
04/19	04/03/2019	84194	Graham Construction Corp.	582-020-360.000	29,100.76
04/19	04/03/2019	84195	Hillside Club Apartments	582-081-642.300	19.75
04/19	04/03/2019	84196	Himebauch, Kelly L	271-790-802.000	300.00
04/19	04/03/2019	84197	HUMMEL, JON	101-754-920.000	120.00
04/19	04/03/2019	84198	ICMA-ROTH	701-000-230.900	440.00- V
04/19	04/03/2019	84198	ICMA-ROTH	701-000-230.900	440.00
04/19	04/03/2019	84199	Jakeway, Patricia	271-790-802.000	270.00
04/19	04/03/2019	84200	John E. Green Co.	271-790-930.000	644.00
04/19	04/03/2019	84201	KARR, ADRIAN	101-345-850.000	120.00
04/19	04/03/2019	84202	Klingelsmith, Kendall	101-770-850.000	120.00
04/19	04/03/2019	84203	Kruskie, Davie	101-770-850.000	120.00
04/19	04/03/2019	84204	KSS Enterprises	101-265-775.000	945.78
04/19	04/03/2019	84204	KSS Enterprises	101-268-775.000	945.78
04/19	04/03/2019	84204	KSS Enterprises	101-754-775.000	945.78

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04/19	04/03/2019	84204	KSS Enterprises	101-756-775.000	945.78
04/19	04/03/2019	84204	KSS Enterprises	101-770-775.000	2,364.44
04/19	04/03/2019	84204	KSS Enterprises	101-773-775.000	945.78
04/19	04/03/2019	84204	KSS Enterprises	101-789-775.000	1,418.65
04/19	04/03/2019	84204	KSS Enterprises	582-593-930.000	945.78
04/19	04/03/2019	84204	KSS Enterprises	592-551-775.000	32.08
04/19	04/03/2019	84205	LENNEMANN, MARK	101-773-850.000	120.00
04/19	04/03/2019	84206	Maple Village Apartments	582-081-642.300	6.55
04/19	04/03/2019	84207	Michigan IAAI	101-345-912.000	295.00
04/19	04/03/2019	84207	Michigan IAAI	101-345-912.000	295.00
04/19	04/03/2019	84207	Michigan IAAI	101-345-912.000	295.00
04/19	04/03/2019	84208	MICHIGAN MUNICIPAL LEAGUE	701-000-230.201	1,924.72
04/19	04/03/2019	84209	Michigan Officeways Inc.	271-790-751.000	34.75
04/19	04/03/2019	84210	MITCHELL GRAPHICS INC.	101-756-802.000	3,005.50
04/19	04/03/2019	84211	MOORE MEDICAL LLC	101-345-775.000	143.19
04/19	04/03/2019	84212	Municipal Underwriters of West MI	101-268-937.000	2,880.13
04/19	04/03/2019	84212	Municipal Underwriters of West MI	101-345-937.000	13,357.95
04/19	04/03/2019	84212	Municipal Underwriters of West MI	101-770-937.000	2,783.71
04/19	04/03/2019	84212	Municipal Underwriters of West MI	101-773-937.000	116.70
04/19	04/03/2019	84212	Municipal Underwriters of West MI	101-756-937.000	290.11
04/19	04/03/2019	84212	Municipal Underwriters of West MI	101-789-937.000	3,593.37
04/19	04/03/2019	84212	Municipal Underwriters of West MI	661-598-937.000	51,083.15
04/19	04/03/2019	84212	Municipal Underwriters of West MI	204-481-937.000	1,034.74
04/19	04/03/2019	84212	Municipal Underwriters of West MI	271-790-937.000	4,228.13
04/19	04/03/2019	84212	Municipal Underwriters of West MI	582-588-937.000	16,332.40
04/19	04/03/2019	84212	Municipal Underwriters of West MI	582-593-937.000	1,202.13
04/19	04/03/2019	84212	Municipal Underwriters of West MI	592-549-937.000	4,426.56
04/19	04/03/2019	84212	Municipal Underwriters of West MI	592-560-937.000	10,300.92
04/19	04/03/2019	84213	New Pig Corporation	101-789-775.000	95.39
04/19	04/03/2019	84213	New Pig Corporation	101-789-775.000	141.91
04/19	04/03/2019	84214	North Central Mich. College	101-345-912.000	200.00
04/19	04/03/2019	84215	Northern Gale Cleaning & Property Mgmt	271-790-802.000	225.00
04/19	04/03/2019	84216	On Duty Gear LLC	101-345-775.000	171.93
04/19	04/03/2019	84216	On Duty Gear LLC	101-345-775.000	201.90
04/19	04/03/2019	84216	On Duty Gear LLC	101-345-775.000	355.89
04/19	04/03/2019	84216	On Duty Gear LLC	101-345-775.000	225.01
04/19	04/03/2019	84217	PARKER, MICHAEL	101-345-850.000	120.00
04/19	04/03/2019	84218	Penguin Random House	271-790-761.000	30.00
04/19	04/03/2019	84218	Penguin Random House	271-790-760.100	99.75
04/19	04/03/2019	84219	PETOSKEY NEWS REVIEW	514-587-802.100	200.00
04/19	04/03/2019	84220	Plath, Audrey	101-215-850.000	120.00
04/19	04/03/2019	84221	Preston Feather	101-789-775.000	24.58
04/19	04/03/2019	84221	Preston Feather	661-598-785.000	.75-
04/19	04/03/2019	84221	Preston Feather	101-268-775.000	.80-
04/19	04/03/2019	84221	Preston Feather	592-554-775.000	4.41-
04/19	04/03/2019	84221	Preston Feather	202-475-775.000	2.07-
04/19	04/03/2019	84221	Preston Feather	101-789-775.000	2.46-
04/19	04/03/2019	84222	Print Shop, The	514-587-775.000	152.00
04/19	04/03/2019	84223	Rasmussen, Derek	101-770-850.000	120.00
04/19	04/03/2019	84224	RICHARD'S TIRE INC.	661-598-932.000	331.56
04/19	04/03/2019	84225	Riordan, Joyce Kochans	271-790-802.000	180.00
04/19	04/03/2019	84226	ROBBINS, MICHAEL	101-441-850.000	120.00

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04/19	04/03/2019	84227	Rowland, Kimberly	271-790-802.000	210.00
04/19	04/03/2019	84228	SCHULTZ, DAVID	101-345-850.000	120.00
04/19	04/03/2019	84229	Sign & Design	661-598-932.000	62.00
04/19	04/03/2019	84230	Smith, Daniel	101-345-850.000	120.00
04/19	04/03/2019	84231	Smith, Edward J	101-756-850.000	120.00
04/19	04/03/2019	84232	Snedden, Rilla Joann	271-790-802.000	120.00
04/19	04/03/2019	84233	Spectrum Business	592-560-850.000	35.12
04/19	04/03/2019	84234	Standard Electric Company	582-010-111.000	16,809.81
04/19	04/03/2019	84235	Straebel, Robert	101-172-850.000	120.00
04/19	04/03/2019	84236	T2 Systems Canada Inc.	514-587-802.000	165.00
04/19	04/03/2019	84237	TEAMSTERS LOCAL #214	701-000-230.400	967.00
04/19	04/03/2019	84238	Terry, Alan	101-215-850.000	120.00
04/19	04/03/2019	84239	Trace Analytical Laboratories LLC	101-526-801.000	1,385.00
04/19	04/03/2019	84240	Traffic & Safety Control Systems Inc.	514-587-802.000	81.00
04/19	04/03/2019	84241	Troxel, Todd	101-345-850.000	120.00
04/19	04/03/2019	84242	True Pest Control	592-555-802.000	75.00
04/19	04/03/2019	84242	True Pest Control	592-558-802.000	200.00
04/19	04/03/2019	84243	Up North Service LLC	514-587-802.000	1,191.51
04/19	04/03/2019	84244	UPS Store, The	582-586-802.000	13.81
04/19	04/03/2019	84245	Van's Business Machines	514-587-802.000	77.24
04/19	04/03/2019	84246	Voorheis, Margaret Ann	271-790-802.000	180.00
04/19	04/03/2019	84247	VSP	101-172-724.000	27.11
04/19	04/03/2019	84247	VSP	101-201-724.000	109.54
04/19	04/03/2019	84247	VSP	101-208-724.000	20.05
04/19	04/03/2019	84247	VSP	101-215-724.000	40.09
04/19	04/03/2019	84247	VSP	101-265-724.000	12.09
04/19	04/03/2019	84247	VSP	101-268-724.000	26.45
04/19	04/03/2019	84247	VSP	592-549-724.000	118.85
04/19	04/03/2019	84247	VSP	592-560-724.000	40.09
04/19	04/03/2019	84247	VSP	101-773-724.000	4.92
04/19	04/03/2019	84247	VSP	101-789-724.000	11.46
04/19	04/03/2019	84247	VSP	204-481-724.000	67.20
04/19	04/03/2019	84247	VSP	271-790-724.000	134.40
04/19	04/03/2019	84247	VSP	514-587-724.000	10.73
04/19	04/03/2019	84247	VSP	582-588-724.000	48.57
04/19	04/03/2019	84247	VSP	101-345-724.000	452.28
04/19	04/03/2019	84247	VSP	101-400-724.000	10.73
04/19	04/03/2019	84247	VSP	101-441-724.000	81.20
04/19	04/03/2019	84247	VSP	101-754-724.000	10.42
04/19	04/03/2019	84247	VSP	101-756-724.000	47.13
04/19	04/03/2019	84247	VSP	101-770-724.000	58.17
04/19	04/03/2019	84248	Windemuller	592-554-802.000	116.00
04/19	04/03/2019	84249	WONDERWARE NORTH	592-549-802.000	3,697.00
04/19	04/03/2019	84249	WONDERWARE NORTH	592-560-802.000	3,698.00
04/19	04/03/2019	84250	Zipp, Cynthia B.	271-790-802.000	180.00
04/19	04/03/2019	84251	ACH-CHILD SUPPORT	701-000-230.160	160.23
04/19	04/03/2019	84252	ACH-EFTPS	701-000-230.200	2,705.96
04/19	04/03/2019	84252	ACH-EFTPS	701-000-230.200	11,570.26
04/19	04/03/2019	84252	ACH-EFTPS	701-000-230.200	2,705.96
04/19	04/03/2019	84252	ACH-EFTPS	701-000-230.100	18,623.74
04/19	04/03/2019	84252	ACH-EFTPS	701-000-230.200	11,570.26
04/19	04/03/2019	84253	ACH-ICMA 457	701-000-230.700	4,719.23



GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/19	04/03/2019	84253	ACH-ICMA 457	701-000-230.700	1,729.86
04/19	04/03/2019	84254	ICMA-ROTH	701-000-230.900	440.00
04/19	04/10/2019	84259	24/7 Sewer & Drain Cleaning	101-265-802.000	285.00
04/19	04/10/2019	84260	All-Phase Electric Supply	101-268-775.000	16.95
04/19	04/10/2019	84260	All-Phase Electric Supply	101-268-775.000	54.56
04/19	04/10/2019	84260	All-Phase Electric Supply	101-268-775.000	10.99
04/19	04/10/2019	84261	Beckett & Raeder Inc.	204-481-802.000	720.00
04/19	04/10/2019	84261	Beckett & Raeder Inc.	204-481-802.000	1,740.00
04/19	04/10/2019	84262	Bradford Master Dry Cleaners	101-345-775.000	310.90
04/19	04/10/2019	84263	BSN Sports Inc.	101-756-808.110	67.92
04/19	04/10/2019	84264	Bush Concrete Products Inc.	582-590-775.000	1,133.00
04/19	04/10/2019	84265	David L Hoffman Landscaping & Nursery	204-550-802.000	2,227.00
04/19	04/10/2019	84266	Decka Digital LLC	101-773-775.000	191.00
04/19	04/10/2019	84267	Derrer Oil Co.	661-598-759.000	1,706.35
04/19	04/10/2019	84268	Dinges Fire Company	101-345-775.000	116.00
04/19	04/10/2019	84268	Dinges Fire Company	101-345-985.000	401.97
04/19	04/10/2019	84269	Dinon Law PLLC	101-266-802.000	1,330.00
04/19	04/10/2019	84270	Dunn's Business Solutions	101-268-775.000	119.22
04/19	04/10/2019	84271	Emmet Co. Dept of Public Works	101-529-802.000	6,277.30
04/19	04/10/2019	84272	Environmental Resource Assoc.	592-553-802.000	698.35
04/19	04/10/2019	84273	Factor Systems Inc.	101-208-803.000	807.82
04/19	04/10/2019	84274	First National Bank Omaha	101-208-931.000	187.25
04/19	04/10/2019	84274	First National Bank Omaha	101-257-751.000	27.54
04/19	04/10/2019	84274	First National Bank Omaha	101-208-751.000	10.50
04/19	04/10/2019	84274	First National Bank Omaha	592-549-767.000	10.49
04/19	04/10/2019	84274	First National Bank Omaha	592-560-915.000	438.52
04/19	04/10/2019	84274	First National Bank Omaha	101-101-751.000	7.98
04/19	04/10/2019	84274	First National Bank Omaha	271-790-761.000	50.84
04/19	04/10/2019	84274	First National Bank Omaha	271-790-958.000	111.79
04/19	04/10/2019	84274	First National Bank Omaha	271-790-751.000	63.00
04/19	04/10/2019	84274	First National Bank Omaha	514-587-775.000	55.00
04/19	04/10/2019	84274	First National Bank Omaha	248-739-880.200	26.49
04/19	04/10/2019	84274	First National Bank Omaha	514-587-912.000	107.15
04/19	04/10/2019	84274	First National Bank Omaha	101-400-912.000	63.95
04/19	04/10/2019	84274	First National Bank Omaha	271-790-761.000	150.39
04/19	04/10/2019	84274	First National Bank Omaha	271-790-905.000	259.95
04/19	04/10/2019	84274	First National Bank Omaha	271-790-958.100	269.75
04/19	04/10/2019	84274	First National Bank Omaha	271-790-915.000	79.00
04/19	04/10/2019	84274	First National Bank Omaha	271-790-958.200	87.51
04/19	04/10/2019	84274	First National Bank Omaha	271-790-912.000	145.79
04/19	04/10/2019	84274	First National Bank Omaha	101-400-912.000	23.98
04/19	04/10/2019	84274	First National Bank Omaha	101-257-751.000	19.36
04/19	04/10/2019	84274	First National Bank Omaha	101-228-775.000	603.50
04/19	04/10/2019	84274	First National Bank Omaha	101-770-775.000	43.85
04/19	04/10/2019	84274	First National Bank Omaha	101-268-775.000	580.10
04/19	04/10/2019	84274	First National Bank Omaha	101-265-775.000	29.97
04/19	04/10/2019	84275	FISHBECK THOMPSON CARR & HUBER	592-560-802.000	2,017.50
04/19	04/10/2019	84276	FIVE D INDUSTRIES	661-598-931.000	214.28
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-598-931.000	9.79
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-010-111.000	9.46
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-598-759.000	135.13
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-010-111.000	13.30

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-598-932.000	8.87
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-010-111.000	8.61
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-010-111.000	93.03
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-598-785.000	42.40
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-598-931.000	8.40
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-010-111.000	25.96
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-598-932.000	13.06
04/19	04/10/2019	84277	Fochtman's Auto & Truck Parts	661-598-932.000	148.05
04/19	04/10/2019	84278	Goedge, Megan	271-790-912.000	235.60
04/19	04/10/2019	84279	Greenwell Machine Shop	661-598-931.000	60.61
04/19	04/10/2019	84280	HAMMERSMITH EQUIPMENT CO.	661-598-931.000	132.70
04/19	04/10/2019	84281	Image Supply	271-790-751.000	97.80
04/19	04/10/2019	84282	Ingram Library Services	271-790-760.100	1,548.11
04/19	04/10/2019	84282	Ingram Library Services	271-790-760.200	26.16
04/19	04/10/2019	84282	Ingram Library Services	271-790-760.000	2,300.04
04/19	04/10/2019	84283	Jakeway, John	203-479-802.000	199.00
04/19	04/10/2019	84284	Kennedy Industries Inc.	592-554-775.000	76.65
04/19	04/10/2019	84285	King, Kevin	271-790-912.000	850.00
04/19	04/10/2019	84286	LATITUDE 45	101-789-775.000	40.97
04/19	04/10/2019	84287	LexisNexis Risk Data Management Inc.	514-587-802.000	57.00
04/19	04/10/2019	84288	Library Network, The	271-790-986.000	2,112.28
04/19	04/10/2019	84289	McCardel Culligan	514-587-802.100	25.50
04/19	04/10/2019	84290	McLean & Eakin Booksellers	271-790-760.400	182.00
04/19	04/10/2019	84291	Meyer Ace Hardware	101-770-775.000	104.51
04/19	04/10/2019	84291	Meyer Ace Hardware	582-586-775.000	5.37
04/19	04/10/2019	84291	Meyer Ace Hardware	514-587-802.100	21.45
04/19	04/10/2019	84291	Meyer Ace Hardware	101-770-775.000	14.38
04/19	04/10/2019	84291	Meyer Ace Hardware	101-345-775.000	8.99
04/19	04/10/2019	84291	Meyer Ace Hardware	101-770-775.000	64.76
04/19	04/10/2019	84291	Meyer Ace Hardware	101-770-775.000	23.38
04/19	04/10/2019	84292	Michigan Library Association	271-790-915.000	968.64
04/19	04/10/2019	84293	MIDWEST COLLABORATIVE	271-790-912.000	198.00
04/19	04/10/2019	84294	North Central Laboratories	592-553-775.000	2,615.91
04/19	04/10/2019	84295	NYE UNIFORM	101-345-775.000	22.50
04/19	04/10/2019	84296	OHM Advisors	204-481-802.000	74.61
04/19	04/10/2019	84296	OHM Advisors	592-549-802.000	74.61
04/19	04/10/2019	84296	OHM Advisors	592-560-802.000	74.61
04/19	04/10/2019	84296	OHM Advisors	582-588-802.000	74.67
04/19	04/10/2019	84296	OHM Advisors	204-481-802.000	881.25
04/19	04/10/2019	84297	ORIENTAL TRADING COMPANY	271-790-958.000	79.32
04/19	04/10/2019	84298	Peninsula Fiber Network LLC	101-228-850.000	500.00
04/19	04/10/2019	84299	Petoskey Band Boosters	248-739-880.200	500.00
04/19	04/10/2019	84300	Petoskey Parts Plus	661-598-932.000	3.29
04/19	04/10/2019	84300	Petoskey Parts Plus	661-598-932.000	43.99
04/19	04/10/2019	84301	Plunkett Cooney	101-257-802.000	732.50
04/19	04/10/2019	84301	Plunkett Cooney	101-266-802.000	4,150.00
04/19	04/10/2019	84301	Plunkett Cooney	101-266-802.000	1,995.00
04/19	04/10/2019	84301	Plunkett Cooney	101-266-802.000	7,864.50
04/19	04/10/2019	84301	Plunkett Cooney	101-266-802.000	943.74
04/19	04/10/2019	84301	Plunkett Cooney	204-481-802.000	943.74
04/19	04/10/2019	84301	Plunkett Cooney	582-588-802.000	943.74
04/19	04/10/2019	84301	Plunkett Cooney	592-549-802.000	943.74

GL Period	Check Issue Date	Check Number	Payee	Invoice GL Account	Check Amount
04/19	04/10/2019	84301	Plunkett Cooney	592-560-802.000	943.74
04/19	04/10/2019	84301	Plunkett Cooney	101-266-802.000	10,261.30
04/19	04/10/2019	84302	POLICE AND FIREMEN'S INSURANCE	701-000-230.185	307.79
04/19	04/10/2019	84303	ROYAL TIRE	661-598-932.000	149.50
04/19	04/10/2019	84304	SiteOne Landscape Supply	101-770-775.000	1,155.59
04/19	04/10/2019	84305	SPARTAN DISTRIBUTORS INC.	661-598-931.000	734.93
04/19	04/10/2019	84306	Spectrum Business	582-593-850.000	35.07
04/19	04/10/2019	84307	Thru Glass Window Cleaning	514-587-802.100	25.00
04/19	04/10/2019	84308	T-Mobile	271-790-850.000	247.20
04/19	04/10/2019	84309	Todd Wenzel Buick GMC	661-020-142.000	59,945.00
04/19	04/10/2019	84310	Unique Management Services Inc.	271-790-802.000	17.90
04/19	04/10/2019	84311	UNIQUE PAVING MATERIALS CORP.	204-010-111.000	5,691.87
04/19	04/10/2019	84312	Up North Service LLC	204-550-802.000	87.50
04/19	04/10/2019	84313	USI	271-790-751.000	22.74
04/19	04/10/2019	84314	Van's Business Machines	271-790-931.000	67.20
04/19	04/10/2019	84315	WALL STREET JOURNAL	271-790-760.400	35.00
04/19	04/10/2019	84316	Char-Em United Way	701-000-230.800	91.75
04/19	04/10/2019	84316	Char-Em United Way	701-000-230.800	91.75-
04/19	04/10/2019	84317	Fraternal Order of Police	701-000-230.400	924.00
04/19	04/10/2019	84317	Fraternal Order of Police	701-000-230.400	924.00-
04/19	04/10/2019	84318	TEAMSTERS LOCAL #214	701-000-230.400	967.00-
04/19	04/10/2019	84318	TEAMSTERS LOCAL #214	701-000-230.400	967.00
Grand Totals:					951,433.38

## Report Criteria:

Check.Date = 03/14/2019-04/10/2019

Check Number	Date	Name	GL Account	Amount
83996	03/20/2019	Live Well	582040285000	15.10
83997	03/20/2019	Sommerfield, Brian	582081642300	31.44
83998	03/20/2019	Stewart, Dawn	582040285000	22.47
83999	03/20/2019	Tito Ortiz	582081642300	95.36
84000	03/20/2019	Vetter, Sarah	582081642300	17.38
84001	03/20/2019	William Lacross	101441724000	1,914.77
84149	03/27/2019	Chimko, Kathleen	582588803000	84.54
84150	03/27/2019	Colbeck, Dylan & Britney	582081642300	488.50
84151	03/27/2019	K of C Hall	582588803000	4,730.61
84152	03/27/2019	Lentz, Becky	582588803000	50.00
84153	03/27/2019	Reeves Scheib, Renee	101756808110	30.00
84154	03/27/2019	Tomaszewski, Terri	101756808110	30.00
84155	04/03/2019	Doucette, Jonathan	582040285000	19.69
84156	04/03/2019	Engelman, Max	582081642300	32.69
84157	04/03/2019	Galloway, James and Lisa	582081642300	58.93
84158	04/03/2019	Independence Tire and Auto Repair	582081642300	94.66
84159	04/03/2019	Little Traverse Village	582081642300	3.50
84161	04/03/2019	Maple Village Apartments	582081642300	6.55
84161	04/03/2019	Maple Village Apartments	582081642300	6.55-
84255	04/10/2019	Beckman, Katherine	101087654000	150.00
84256	04/10/2019	Medjesky, Michelle	582040285000	38.69
84257	04/10/2019	Radocy, Chris	101756808110	30.00
84258	04/10/2019	Young, Jim	101756808110	45.00
Grand Totals:				7,983.33



# City of Petoskey

## Agenda Memo

**BOARD:** City Council

**MEETING DATE:** April 15, 2019

**PREPARED:** April 11, 2019

**AGENDA SUBJECT:** Appointment Recommendations

**RECOMMENDATION:** That the City Council consider these reappointments

---

The City Council will be asked to consider the following reappointments:

- BOARD OF REVIEW – Reappointment of William Meengs, 724 Grove Street, and Joel Wurster, 909 Spruce Street, both for three-year terms ending April 2022; and
- ZONING BOARD OF APPEALS – Reappointment of Robert S. Morrison, 740 Lockwood Avenue, for a three-year term ending April 2022.

sb  
Enclosures





# City of Petoskey

101 East Lake Street, Petoskey, Michigan 49770 • 231 347-2500 • Fax 231 348-0350

RECEIVED

APR 05 2019

CITY OF PETOSKEY  
CITY MANAGER

SB

## Application to Serve on a Board or Commission

Please print. Answer each question accurately and completely. If you require any accommodation to complete the application process, please notify a City staff member.

■ Name	Meengs, Jr.			William			L			■ Date	4   3   19			
	Last			First			Initial							
■ Residence Address	724		Grove St.		Petoskey		MI		49770		■ Home Phone	231   348   3765		
	Number		Street		City		State		Zip					
■ Email Address	william.meengs@northernmilaw.com											■ Work Phone	231   347   3907	

Please answer the following questions using the space provided.

1. What Board or Commission interests you and why are you applying? Board of review.  
I have served on this board for approximately 10 years.
2. How do you believe your appointment would benefit the City? I believe that the City  
has an impartial, experienced Board of Review. We have  
a good rapport with the Assessor & the citizens who come before us.
3. Describe any involvement in the community on a Board or Commission or in another volunteer capacity. I serve  
on the Board for Northern Community Mediation, & am  
a member of the Marketing & Development Committee for the  
Community Foundation. I am a past Board member of the Hospital Foundation.
4. How many continuous years have you lived in Petoskey? 14 currently, grew up here before retiring.
5. Any other helpful information relevant to your application. I have served as the chair of  
the Board of Review the past three sessions.

While it is not required, a resume is helpful in the recruitment process for City Boards and Commissions.

- ☒ YES ☐ NO Are you a registered voter?
- ☐ YES ☒ NO Are you currently in default of taxes or fines to the City of Petoskey?
- ☒ YES ☐ NO Do you or immediate family members currently serve on a City Board or Commission? If yes, which Board or Commission? Board of Review
- ☐ YES ☒ NO Have you ever been convicted of a felony? If yes, please explain.

The applicant acknowledges that the City may be required from time to time to release records in its possession. The applicant hereby gives permission to the City to release any records or materials received by the City from the applicant as it may be requested to do so as permitted by the Freedom of Information Act, MCL 15.231 et seq.

Applicant Signature: William Meengs, Jr. Date: 4-3-2019



STROUP | MEENGES  
ATTORNEYS AT LAW

7 Pennsylvania Plaza | PO Box 809 | Petoskey, MI 49770

Nathaniel W. Stroup (1931-2015)  
William L. Meengs, Jr.  
Jane Gootee Nelson\*  
Jennifer E. Deegan  
Claire Hollis Forster\*\*

Office  
231.347.3907

Facsimile  
231.347.2499

\*Also Licensed in Indiana  
\*\*Also Licensed in Illinois

April 3, 2019

City of Petoskey  
Attn: City Manager's Office  
101 East Lake St.  
Petoskey, MI 49770

RE: Re-Application to serve on Board of Review

Dear Mr. Straebel:

Please find enclosed my Application to continue serving on the Board of Review for the City.

Please let me know if you need anything further.

Very truly yours,

STROUP MEENGES, PC

WILLIAM L. MEENGES, JR.

Enclosure





# City of Petoskey

101 East Lake Street, Petoskey, Michigan 49770 • 231 347-2500 • Fax 231 348-0350

RECEIVED

APR 03 2019

CITY OF PETOSKEY  
CITY MANAGER

SB

## Application to Serve on a Board or Commission

Please **print**. Answer each question accurately and completely. If you require any accommodation to complete the application process, please notify a City staff member.

■ Name	Wurster		Joel		D	■ Date	04	03	2019
	Last		First		Initial				
■ Residence Address	909	Spruce St	Petoskey	MI	49770	■ Home Phone			
	Number	Street	City	State	Zip				
■ Email Address	joelwurster@gmail.com					■ Work Phone	231	347	4988

Please answer the following questions using the space provided.

1. What Board or Commission interests you and why are you applying? I am interested in continuing to serve on the Board of Review for the City of Petoskey.
2. How do you believe your appointment would benefit the City? I am generally aware of the tax assessment and appeal process and am also familiar with relevant concepts such as assessed and taxable values. If appointed, I would attend needed training sessions and board meetings and would strive to serve fairly and to the best of my ability.
3. Describe any involvement in the community on a Board or Commission or in another volunteer capacity. Pellston Public Schools - school board member (c. 1998-2004); Northern Community Mediation Board of Directors (c. 2011-2015); Michigan Attorney Discipline Board hearing panelist (c. 2004-present); Boyne Highlands ski host (c. 2011-present)
4. How many continuous years have you lived in Petoskey? 14
5. Any other helpful information relevant to your application. \_\_\_\_\_

While it is not required, a resume is helpful in the recruitment process for City Boards and Commissions.

- ☒ YES ☐ NO Are you a registered voter?
- ☐ YES ☒ NO Are you currently in default of taxes or fines to the City of Petoskey?
- ☒ YES ☐ NO Do you or immediate family members currently serve on a City Board or Commission? If yes, which Board or Commission? I presently serve on the Board of Review.
- ☐ YES ☒ NO Have you ever been convicted of a felony? If yes, please explain. \_\_\_\_\_

The applicant acknowledges that the City may be required from time to time to release records in its possession. The applicant hereby gives permission to the City to release any records or materials received by the City from the applicant as it may be requested to do so as permitted by the Freedom of Information Act, MCL 15.231 et seq.

Applicant Signature: \_\_\_\_\_

Date: 04/03/2019



# City of Petoskey

101 East Lake Street, Petoskey, Michigan 49770 • 231 347-2500 • Fax 231 348-0350

RECEIVED

APR 08 2019

CITY OF PETOSKEY  
CITY MANAGER

SB

## Application to Serve on a Board or Commission

Please print. Answer each question accurately and completely. If you require any accommodation to complete the application process, please notify a City staff member.

■ Name	<div>Morrison</div> <div>Robert</div> <div>S</div>	■ Date	<div>4</div> <div>2</div> <div>19</div>
	<div>Last</div> <div>First</div> <div>Initial</div>		
■ Residence Address	<div>740</div> <div>Lockwood</div> <div>Petoskey</div> <div>MI</div> <div>49770</div>	■ Home Phone	<div>231</div> <div>838</div> <div>4121</div>
	<div>Number</div> <div>Street</div> <div>City</div> <div>State</div> <div>Zip</div>		
■ Email Address	<div>Smorrison@wolverineschools.org</div>	■ Work Phone	<div>231</div> <div>525</div> <div>8201</div>

Please answer the following questions using the space provided.

1. What Board or Commission interests you and why are you applying? ZBA - I am the current alternate member. I have experience and I teach state + local government and know a good deal about zoning laws
2. How do you believe your appointment would benefit the City? see above
3. Describe any involvement in the community on a Board or Commission or in another volunteer capacity. 3 years on the ZBA and approximately 6 years on Camp Duggott's board.
4. How many continuous years have you lived in Petoskey? 23
5. Any other helpful information relevant to your application. \_\_\_\_\_

While it is not required, a resume is helpful in the recruitment process for City Boards and Commissions.

<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	Are you a registered voter?
<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	Are you currently in default of taxes or fines to the City of Petoskey?
<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	Do you or immediate family members currently serve on a City Board or Commission? If yes, which Board or Commission? <u>I serve on ZBA</u>
<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	Have you ever been convicted of a felony? If yes, please explain.

The applicant acknowledges that the City may be required from time to time to release records in its possession. The applicant hereby gives permission to the City to release any records or materials received by the City from the applicant as it may be requested to do so as permitted by the Freedom of Information Act, MCL 15.231 et seq.

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_

4-2-19





**BOARD:** City Council

**MEETING DATE:** April 15, 2019

**PREPARED:** April 11, 2019

**AGENDA SUBJECT:** First Reading of an Ordinance to Prohibit Recreational Marijuana Establishments within the City of Petoskey

**RECOMMENDATION:** That the City Council conduct a first reading of proposed ordinance

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**Background** On February 18, 2019 City Council members discussed both recreational and medical marijuana. See enclosed minutes of that meeting. By a 4-1 vote Councilmembers voted to *“allow medical marijuana establishments and requested the Planning Commission to research and recommend 3-4 provisioning centers in 1-2 locations and addressing signage and hours of operation.”* At that meeting, City Council also directed staff to look into regulations pertaining to recreational marijuana. As the Planning Commission has initiated discussions regarding medical marijuana provisioning establishments, this agenda item specifically is in regards to recreational marijuana.

On November 6, 2018 voters approved the Michigan Regulation and Taxation Marijuana Act (MRTMA). In essence, the MRTMA legalizes at the state level (not federal) the recreational use and possession of marijuana. In addition, the MRTMA sets out a regulatory process to permit and license certain types of “marijuana establishments” (i.e. growers, safety compliance facilities, processors, microbusinesses, retailers and secure transporters). The MRTMA does not however replace those laws and regulations already in place in Michigan involving the medical use of marijuana under the Michigan Medical Marijuana (MMA) of 2008 or the Medical Marijuana Facilities Licensing Act (MMFLA) of 2016.

The MRTMA requires that if a community wishes to prohibit the formation and operation of recreation marijuana establishments within the community, the community must adopt an ordinance to this effect (i.e. the community must “opt out”). In other words, if a community does not “opt out” then recreation marijuana establishments can be located and licensed by the State within that community if an application is approved by the Department of Licensing and Regulatory Affairs (LARA). Unfortunately, it is unclear from the text of the MRTMA when precisely the State will begin accepting applications for licenses but it must do so before December 6, 2019. In a recent LARA presentation, a representative stated that their department is on track to meet this deadline and may be accepting applications well before the December 6, 2019 deadline date.

The Act also states that for the first 24 months after LARA begins accepting applications for marijuana establishment licenses, only those persons holding a MMFLA license may apply for a retail, processor, class B or class C grower, or secure transport license issued under the MRTMA.

Most cities, townships and villages are choosing to “opt out” for recreational marijuana establishments at this time to determine what communities may be buying into and determine the full policy implications of choosing whether to participate in the commercialization, licensing and taxation of recreational marijuana establishments. Nothing under the Act prohibits a city from “opting in” at a later date, even if the community initially decided to “opt out”.

Enclosed are the following documents that were provided in past agenda items:

- Legal opinion from City Attorney Jim Murray
- MRTMA law in its entirety
- MML Recreational Marijuana Proposition white paper
- MML Recreational Marijuana Q & A

For more information, there are several resources on the State website at [www.Michigan.gov/BMR](http://www.Michigan.gov/BMR).

**Action** Because of the uncertainties of future MRTMA regulations that will be developed by LARA, both the City Attorney and City Manager recommend at this time that the City opt out of recreational marijuana. Keep in mind that because the City has taken no formal action at this time, the City has opted in on recreational marijuana.

There are many ambiguities and potential legal battles surrounding the MRTMA. Furthermore, LARA has not fully promulgated licensing criteria for recreational marijuana establishments. Because of this, most municipalities have opted out at this time regarding allowing recreational marijuana establishments. This “wait and see approach” may be the most prudent approach to take at this time.

Most importantly, by opting out a municipality would maintain local control of zoning and licensing regulations. If in the future, City Council desires to opt in on recreational marijuana, we would do so with full knowledge of what regulations LARA has promulgated and craft our local regulations accordingly. Once again, keep in mind that nothing under the Act prohibits a city from “opting in” at a later date, even if the community initially decided to “opt out”.

Regardless of how one views recreational marijuana, the critical issue at this point is to maintain local control of zoning and licensing issues and not allow LARA to dictate the locations and numbers of recreational marijuana establishments within our community.

rs  
Enclosures

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE TO AMEND CHAPTER 8 OF THE PETOSKEY CODE OF ORDINANCES,  
BUSINESSES AND BUSINESS REGULATIONS, CREATING A NEW ARTICLE VI-  
MARIJUANA ESTABLISHMENTS, WITHIN THE CITY OF PETOSKEY**

The City of Petoskey ordains:

**1. SECTION 8-169 PROHIBITION OF RECREATIONAL MARIJUANA**

Section 8-169 is added to Article VI of Chapter 8 of the Code of Ordinances to read as follows: prohibition of recreational marihuana establishments.

The Michigan Regulation and Taxation of Marihuana Act ("the Act") was initiated by the voters of the State of Michigan pursuant to Proposal 1, the Marijuana Legalization Initiative, on November 6, 2018. The Act authorizes cities, villages, and townships to completely prohibit recreational marihuana establishments within their boundaries. Pursuant to that authority, recreational marihuana establishments as defined in the Act are hereby prohibited within the City.

**2. SECTION 8-170-199 RESERVED**

All other provisions of the Code of Ordinances not specifically amended shall remain in full force and effect.

Nothing in this ordinance shall be construed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby revised as cited in Section 8.169 of this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired, or affected by this ordinance.

This ordinance shall take effect fifteen (15) days following its enactment and shall be published once within seven (7) days after its enactment as provided by Charter.

Adopted, enacted and ordained by the City of Petoskey City Council this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

\_\_\_\_\_  
John Murphy  
Its Mayor

\_\_\_\_\_  
Alan Terry  
Its Clerk





## CITY COUNCIL

February 18, 2019

A regular meeting of the City of Petoskey City Council was held in the City Hall Council Chambers, Petoskey, Michigan, on Monday, February 18, 2019. This meeting was called to order at 7:00 P.M.; then, after a recitation of the Pledge of Allegiance to the Flag of the United States of America, a roll call then determined that the following were

Present: John Murphy, Mayor  
Kate Marshall, City Councilmember  
Suzanne Shumway, City Councilmember  
Grant Dittmar, City Councilmember  
Lindsey Walker, City Councilmember

Absent: None

Also in attendance were City Manager Robert Straebel, Clerk-Treasurer Alan Terry, Public Works Director Michael Robbins, City Planner Amy Tweeten and Downtown Director Becky Goodman.

### **Hear Stormwater, Asset Management and Wastewater Presentation**

Larry Fox, principal of C2AE, Gaylord, an engineering consultant, gave a brief presentation on Stormwater, Asset Management and Wastewater (SAW) grant program. Mr. Fox reviewed that he was the project manager for the MDEQ SAW grant over the last three years; reviewed costs associated with the program; reviewed that all manholes were studied and graded; sewers were televised, rated on maps and developed into CIP for future work on the worst rated; reviewed that a Stormwater Management Plan was developed and will be implemented into the CIP; that an ordinance should be implemented to provide enforcement; and that staff was trained in GIS and has tablets for field use.

City Councilmembers inquired if this plan would be incorporated in the Master Plan and if it will help the City's sustainability measures. The City Manager responded that the plan will be included.

### **Consent Agenda - Resolution No. 19267**

Following introduction of the consent agenda for this meeting of February 18, 2019, City Councilmember Dittmar moved that, seconded by City Councilmember Marshall adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby confirms that the draft minutes of the January 28, 2019 special joint session and February 4, 2019 regular session City Council meetings be and are hereby approved; and

BE IT RESOLVED that receipt by the City Council of a report concerning all checks that had been issued since February 4, for contract and vendor claims at \$1,481,112.13 intergovernmental claims at \$0, and the February 7 payroll at \$199,123.89, for a total of \$1,680,236.02 be and is hereby acknowledged.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

### **Hear Public Comment**

Mayor Murphy asked for public comments and there were no comments.

### **Hear City Manager Updates**

The City Manager reviewed that Bob Berg, owner of 200 East Lake Street, plans to provide a conceptual development plan to the Planning Commission at the March 21 meeting and is requesting Brownfield Tax Increment dollars to pay for underground parking; that with new Councilmembers, staff could schedule a review of the Brownfield process to familiarize City Council with the overall tax increment concept; that the Bayfront Park stair tower bids came in substantially higher than cost estimates by \$185,000 and that staff is working with project engineers to “value engineer” with a possible bid award at the next meeting; that Solanus Beach conceptual plans have been revised and the Parks and Recreation Commission endorsed the plans; that the owner of the 48-unit Harbor Village Apartments on Crestview Drive requested the City consider adoption of a payment in lieu of taxes (PILOT) ordinance establishing a service charge in lieu of property taxes; and that progress on the MDOT retaining wall work on Bayfront Park is slow due to extremely low temperatures.

Mayor Murphy asked for public comments and heard an inquiry if there will be a top on the stair tower and the City Manager responded that there will not be a cover.

### **Planning Commission Appointment – Resolution No. 19268**

Mayor Murphy reviewed that City Council consider a possible appointment to the Planning Commission.

City Councilmember Dittmar moved that, seconded by City Councilmember Marshall adoption of the following resolution:

BE IT RESOLVED that the City Council does and hereby approves the appointment of Chad McDonald, 1412 Highland Drive, to the Planning Commission to fill a vacated term ending August 31, 2019.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

### **Approve Medical Marijuana – Resolution No. 19269**

The City Manager reviewed that City Council requested a discussion on both medical and recreational marijuana in light of the November 6, 2018 voter approved Michigan Regulation and Taxation Marijuana Act (MRTMA). The City Manager further reviewed that the MRTMA legalizes at the State level (not federal) the recreational use and possession of marijuana; that MRTMA sets out a regulatory process to permit and license certain types of “marijuana establishments” (i.e. growers, safety compliance facilities, processors, microbusinesses, retailers and secure transporters); and that MRTMA does not however replace those laws and regulations already in place in Michigan involving the medical marijuana under the Michigan Medical Marijuana (MMA) of 2008 or the Medical Marijuana Facilities Licensing Act (MMFLA) of 2016.

The City Manager reported that under MMFLA, in order to allow medical marijuana facilities to be established within a community, the community needs to adopt an ordinance “opting-in”; that MRTMA is different and requires that if a community wishes to prohibit the formation and operation of recreation marijuana establishments within the community, the community must adopt an ordinance “opting-out”; that if a community does not opt out, then recreation marijuana establishments can be located and licensed by the State within that community; that it is unclear of the law when precisely the State will begin accepting applications for licenses, but it must do so before December 6, 2019; that MRTMA is unclear, ambiguous and raises many legal questions that will need to be determined by courts, legislation and State regulators; reviewed guidelines for zoning such establishments; that for the first 24 months after LARA begins accepting applications for marijuana establishment licenses, only those persons holding a MMFLA may apply for a retail, processor, Class B or Class C grower or secure transport license issued under the MRTMA;

that most cities, townships and villages chose to “opt out” for recreational marijuana; reviewed that there is also a voter petition initiative language in the MRTMA that allows for a process whereby voters could allow or bar marijuana establishments in a community; and reviewed that at this point the City has opted out of allowing medical marijuana by simply taking no action and since the City has taken no action on recreational marijuana, the City technically has opted in at this point.

The City Attorney reviewed that Council received copies of the laws, guidelines, a document issued by the attorney relating to various issues relevant to consideration of medical and recreational marijuana and was available to answer any questions.

City Councilmembers discussed medical marijuana; heard from those in support of medical establishments; heard an inquiry on how many patients are in Michigan and how someone obtains a medical card; that there are 300,000 patients and applications are online; heard from those in support of locating an area to allow 3-4 establishments excluding downtown; and to allow provisional centers only.

City Councilmembers then discussed recreational marijuana and heard from those both opposed and in favor of allowing recreational establishments; that by allowing medical marijuana it is opening the door for recreational; that everything is legal except to purchase it; and that staff should begin looking at possible ordinances.

City Councilmember Shumway moved that, seconded by City Councilmember Walker to allow medical marijuana establishments and requested the Planning Commission to research and recommend 3-4 provisioning centers in 1-2 locations and addressing signage and hours of operation.

Said motion was adopted by the following vote:

AYES: Marshall, Shumway, Walker, Murphy (4)

NAYS: Dittmar (1)

Mayor Murphy asked for public comments and heard that there are high end users in downtown and it would be beneficial to provide testing centers; inquired if the City would have a fair licensing method; heard from a medical user and thanked Council for supporting comments; that Council should consider a laboratory; that this is great progressive action by Council and the City should take into account the downtown and that tourists will use establishments; that approval will bring in a lot of new opportunities; that Planning Commission should look at different licenses as there are underused areas of City that these establishments could be implemented; that other states have experienced an increased use by underage users, leading to negative effects in their behavior; that the free market will take care of downtown issue; that staff and all Boards and Commissions should want to preserve what is already in the community; and that all establishments should be considered not just provisional centers.

#### **Approve Master Plan Consultant Agreement with LIAA – Resolution No. 19270**

The City Manager reviewed that pursuant to the Michigan Planning Enabling Act, a Planning Commission is required to review its Master Plan every five years for possible updates; that the last major re-write of the plan was adopted in 2009, which was then reviewed and updated in 2014; that a major update is needed; that \$20,000 was budgeted in the Office of City Planner budget for consultant assistance; that \$6,000 was awarded to the City by the Mott Foundation from area community foundations to assist with public engagement; that City Council identified sustainability as a priority goal during its 2018 strategic planning process; and staff determined that incorporating sustainability and resiliency as an overarching framework of the plan would achieve broader implementation than creating a stand-alone sustainability plan. Staff requested a proposal from LIAA, a leader in community resiliency planning, and includes significant resources to maximize community engagement, including youth involvement.

City Councilmember Marshall moved that, seconded by City Councilmember Shumway to authorize contracting with Land Information Access Association (LIAA) for master plan consulting services.

Said motion was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Approve FOPLC Lieutenants 2018-2020 Contract – Resolution No. 19271**

The City Manager reviewed that after completing 312 Arbitration, the City's negotiation team along with representatives for the FOPLC Lieutenants division agreed to a three-year contract beginning on January 1, 2018 with an expiration date of December 31, 2020. The City Manager reviewed some of the contract highlights including use of part-time employees, vacation scheduling, uniforms, medical and hospitalization insurance, pension plan increases and wage increases.

City Councilmember Shumway moved that, seconded by City Councilmember Walker adoption of the following resolution:

WHEREAS, certain Department of Public Safety Lieutenants unionized staff members are represented by the Fraternal Order of Police Labor Council (FOPLC); and

WHEREAS, City and bargaining unit representatives negotiated provisions of a proposed agreement for the Lieutenants Division; and

WHEREAS, the City Manager now has reported that an agreement has been reached with the FOPLC Lieutenants Division for the period of January 1, 2018 – December 31, 2020:

NOW, THEREFORE, BE IT RESOLVED that the City Manager be and is hereby directed to execute on behalf of the City an employment agreement with the Department of Public Safety Lieutenants Division who are represented by the Fraternal Order of Police Labor Council.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Approve MERS Lieutenant Contribution Changes – Resolution No. 19272**

The City Manager reviewed that the City provides defined contribution retirement benefits through MERS, which covers three separate groups of employees Nonunion, DPW Union and Public Safety Union. The newly approved collective bargaining agreement covering the Public Safety Lieutenant unionized employees for January 1, 2018 through December 31, 2020 includes provisions that requires annual increases in employee contributions for the next three years towards the Lieutenants pension plan. The City Manager reviewed that contribution rates will increase on January 1 of each year as follows: 2018 at 3.5%, 2019 at 4% and 2020 and thereafter, at a rate of 4.5%.

City Councilmember Marshall moved that, seconded by City Councilmember Shumway adoption of the following resolution:

WHEREAS, the City is a participating governmental unit in the Michigan Municipal Employees' Retirement System (MMERS) pension plan document of 1996; and

WHEREAS, in accordance with pension provisions of a renewed collective bargaining agreement with certain unionized employees for the City's Public Safety Lieutenants require changes to the City's current MMERS plan:

NOW, THEREFORE, BE IT RESOLVED that the City of Petoskey City Council does and hereby elects to change current Michigan Municipal Employees' Retirement System (MMERS) benefits for Department of Public Safety unionized personnel, referred to as City of Petoskey (2402), Division 11 – Public Safety Lieutenants Union, a defined benefit plan with employees contributing 4% beginning January 2019 and 4.5% beginning January 2020 as set forth in the plan adoption agreements for 2019 and 2020; and

BE IT FURTHER RESOLVED that the City of Petoskey City Council does and hereby authorizes the City Manager and Director of Finance to prepare and sign the Defined Benefit Plan Adoption Agreements with MMERS for Division 11 to make changes as set forth above to the existing defined benefit plan.

Said resolution was adopted by the following vote:

AYES: Marshall, Shumway, Dittmar, Walker, Murphy (5)

NAYS: None (0)

**Hear State vs. Odawa Litigation Update**

The City Attorney gave a brief update on the Odawa litigation; reviewed that City Council was provided two judgements that were issued and filed on January 31, 2019; and that the trial won't start until 2020.

**Council Comments**

Mayor Murphy reported that the Downtown Greenway Corridor Phase II project has received multiple awards.

There being no further business to come before the City Council, this February 18, 2019, meeting of the City Council adjourned at 9:05 P.M.

John Murphy, Mayor

Alan Terry, Clerk-Treasurer



**To:** Jim Murray  
**FROM:** Saulius Mikalonis  
**DATE:** February 13, 2019  
**RE:** Cannabis in Michigan  
City of Petoskey

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Jim:

The following is an outline of issues relevant to the City of Petoskey's consideration related to the questions that should be considered by the City Council when deciding to accept medical and/or recreational cannabis activities. It addresses all the relevant cannabis statutes in Michigan and how they relate to municipal governance and authority.

You may invite the Council as well as Staff, Zoning Board and members of the public to attend our webinar, titled "Growing Pains: Is Recreational Cannabis Right for Your Community" scheduled for February 28 from noon to 1 p.m. (EST). The Webinar will provide an overview about recreational cannabis in Michigan, review local government considerations and options and discuss lessons learned from the medical cannabis process. Details can be found at this link: <http://smartlink.qlapahead.com/SmartLinkDisplay.aspx?id=D644AA62-9028-E911-8F7D-001B2161D7E5>

- FEDERAL ISSUES RELATED TO MEDICAL/RECREATIONAL CANNABIS
  - Cannabis, whether recreational or medicinal, remains a Schedule 1 drug under the federal Controlled Substances Act. While there remain some protections at the federal level for use of cannabis for medicinal purposes, there are none for recreational purposes. A [recent statement](#) by the US Attorney's Office in Michigan indicated that that office will continue to prosecute activities illegal under federal law (but not low-level offenders), especially as it relates to "adverse effects of interstate trafficking of marijuana; the involvement of other illegal drugs or illegal activity; persons with criminal records; the presence of firearms or violence; criminal enterprises, gangs, and cartels; the bypassing of local laws and regulations; the potential for environmental contamination; and the risks to minors." That office's future efforts remain a question, although presently there has not been much in the way of federal prosecution in other states that have decriminalized recreational cannabis.

Memo to Jim Murray

February 13, 2019

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- Congress has restricted the use of funding for the Department of Justice to use moneys in its budget to prosecute federal offenses for medical cannabis in states that have decriminalized it. This does not apply to recreational sales, however. As noted in the section above, the US Attorney's Office will not be prosecuting low-level offenders.
- There are numerous efforts underway in Congress towards full legalization or delisting cannabis as a Schedule I substance. In the past, passage of similar statutes was seen as unlikely. Presently ten states have legalized recreational use, and 33 allow medical use. It appears to be only a matter of time until Congress acts in favor of loosening restrictions.
- MEDICAL CANNABIS IN MICHIGAN
  - Medical cannabis in Michigan is governed by two statutes: the Michigan Medical Marihuana Act (MMMA), MCL § 333.26421 *et seq.*, or the Michigan Medical Marihuana Facilities Licensing Act (MMFLA), MCL § 333.27101, *et seq.*
  - By a 2008 ballot measure, Michigan voters approved the use of cannabis for medical use. It was named the MMMA. In this model, licensed caregivers provide medical cannabis to up to five registered medical patients with medical cannabis cards. Each patient (or a caregiver in behalf of a patient) is allowed up to 2.5 ounces of usable cannabis or 12 cannabis plants, which must be kept locked and secured. Municipalities cannot restrict a caregiver or a patient from owning or growing cannabis in a manner consistent with the MMMA, as the Michigan Supreme Court has ruled that the MMMA preempts local ordinances. *Ter Beek v City of Wyoming*, 495 Mich. 1 (2014). More recently, *Deruiter v Township of Byron* involves a local ordinance that sought to limit through a zoning ordinance the growing of medical cannabis under the MMMA to specifically zoned areas. The Michigan Court of Appeals, citing *Ter Beek*, ruled that the MMMA preempted the zoning ordinance and Byron Township is appealing the court of appeals decision to the Supreme Court. This ruling does not apply to facilities licensed under the MMFLA. Finally, the Court of Appeals also ruled that a municipality may not restrict a caregiver from growing medical cannabis in an outdoor facility in *York Charter Township v Miller*, which is also being appealed to the Michigan Supreme Court.



- In 2016, the Michigan legislature passed the MMFLA to establish some parameters for the growth, distribution and use of cannabis for medicinal purposes. The MMFLA establishes a Medical Marijuana Licensing Board (Board) within the Michigan Department of Licensing and Regulatory Affairs (LARA). The Board may grant five types of state operating licenses in the following categories: (1) Class A, B, or C grower; with Class A having a limit of 500 plants, Class B a limit of 1,000; (2) processor; (3) provisioning Center; (4) secure transporter; and (5) safety compliance facility. The MMFLA provides definitions for each license and specifies conditions for approval and prohibits certain conflicts of interest. Some examples include the following: to be eligible for a grower license, the grower and each investor in the operation cannot have an interest in a secure transporter or a safety compliance facility; and to be eligible for a secure transporter license, the transporter and each investor cannot have an interest in any other license authorized under the act and may not be a registered qualifying patient or a registered primary caregiver. Below is a description of each type of five available licenses:

- Grower License

- Grower cannot operate in an area unless zoned for industrial or agricultural uses or is unzoned and meets all local requirements.
- Class A is up to 500 plants, Class B is up to 1,000 plants, and Class 3 is up to 1,500 plants.
- Grower must have up to 2 years' experience as registered primary caregiver, or must have an employee with that experience.

- Processor License

- Must purchase the cannabis only from a licensed grower and will allow the sale of cannabis or cannabis-infused products to a provisioning center.
- Must track inventory into statewide monitoring system.

- Secure Transporter License

- Store and transport cannabis and money associated with purchase or sale of cannabis between licensed facilities. No direct transport to patients.

Memo to Jim Murray

February 13, 2019

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- Vehicles required to have two-person crew and a route plan and manifest must be filed into statewide system before transport.
- Vehicles subject to inspection without warrant by law enforcement for compliance purposes.
- Provisioning Center License
  - Locations where qualifying patients or registered primary caregivers can purchase cannabis.
  - Can only sell cannabis after it has been tested and bears label required for retail sale.
  - Must enter all transactions into statewide monitoring system.
- Safety Compliance Facility License
  - Performs tests to certify cannabis is free of chemical residues, and determines THC levels.
  - Enters all transactions into statewide monitoring system.
  - Has secure laboratory with one staff member who has advanced degree in medical or laboratory science.
- LARA's rules under the MMFLA govern the growth, purchase and sale of medical cannabis, including the following parameters:
  - Set appropriate standards for cannabis facilities and associated equipment.
  - Provide for the levy and collection of fines for a violation of the MMFLA or rules promulgated pursuant to it.
  - Prescribe use of the statewide monitoring system to track all cannabis transfers, and provide a funding mechanism to support the system.
  - Operating regulations for each category of licensee.
  - Qualifications and restrictions for people participating in or involved with operating cannabis facilities.

- Testing standards, procedures, and requirements for cannabis sold through provisioning centers.
  - Quality control standards, procedures, and requirements for cannabis facilities.
  - Chain of custody standards, procedures, and requirements for facilities.
  - Daily purchasing limits at provisioning centers for registered qualifying patients and registered primary caregivers to ensure compliance with the MMMA.
  - Marketing and advertising restrictions for cannabis products and facilities.
  - Maximum THC levels for cannabis and cannabis-infused products sold or transferred through provisioning centers.
  - Restrictions on edible cannabis-infused products to prohibit shapes that would appeal to minors.
  - Minimum levels of insurance that licensees must maintain.
  - Health standards to ensure the safe preparation of products containing cannabis that are intended for human consumption in a manner other than smoke inhalation.
  - Establish standards, procedures, and requirements for the cannabis waste product disposal and storage by facilities; chemical storage; the secure and safe transportation of cannabis between facilities; and storage of cannabis.
- In order for a facility to be licensed under the MMFLA, it must demonstrate that it has received approval to do so in a community that has opted into the MMFLA via valid ordinance. Unlike the MMMA, there is no right to operate any type of medical cannabis facility within a municipal jurisdiction's boundaries unless that municipality has opted in. Further, the municipality can decide which licenses it wants to make available and in what numbers. It can choose one or more of the five types of activities and decide how many approvals it wants to issue for each. Each municipality is free to decide the process by which approvals are obtained and where it wants the facility to operate within its jurisdiction, consistent with LARA's regulatory restrictions.

- RECREATIONAL CANNABIS IN MICHIGAN
  - The Michigan Regulation and Taxation of Marihuana Act (Initiated Law 1 of 2018) (MRTMA), MCL § 333.27951, *et seq.*, does not change either the MMMA or the MMFLA. Both statutes remain, unaltered.
  - The MRTMA provides significant power to regulate recreational cannabis to municipalities. Under the MMFLA, municipalities had to affirmatively opt in to allow state-licensed medical cannabis businesses within their borders. However, under the MRTMA, a municipality must affirmatively opt out if it does not want state-licensed recreational businesses operating in its jurisdiction. Like the MMFLA, the municipality may select the types of operations to exclude or include if it decides not to opt out. Some Michigan municipalities have already affirmatively opted out. Municipalities that have opted in for medical cannabis are not required to elect to participate in the recreational program. In addition to enacting ordinances not inconsistent with the MRTMA (more on that below), municipalities may adopt ordinances in the following manner:
    - To establish reasonable restrictions on public signs.
    - To regulate the time, place and manner of operation and the sale of accessories related to cannabis use.
    - To authorize the sale for consumption at establishments accessible only to persons over 21 years old or for special events and for a limited time.
    - To establish fines of not more than \$500 for civil infractions for violations of a municipality's ordinances.
    - To require a facility to obtain a municipal license, as long as the requirements for such license are not in conflict with state laws and regulations.
    - To charge an annual \$5,000 fee to defray the municipality's costs for applications, administration or enforcement.

Memo to Jim Murray

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- The MRTMA gives the state regulating entity, the Department of Licensing and Regulatory Affairs (LARA) 12 months to promulgate regulations for licensing of recreational cannabis business in the following categories: microprocessor (grower with fewer than 150 plants), grower, processor, retailer, secure transporter, and safety compliance. So, this provides time for the municipality to make a measured decision to opt out or determine which and how many cannabis operations it would allow.
- If LARA does not promulgate regulations within 12 months, then applicants can submit their applications directly to a municipality that has opted in or not opted out. The municipality shall issue a decision within 90 days and notify LARA that it has issued a municipal license. It would have the same effect as a state license.
- In the event a municipal government decides to opt out, it does not necessarily bar state-licensed operations in that jurisdiction. The MRTMA allows citizen petitions to initiate an ordinance to allow cannabis operations, but also allows petitions to completely bar them, too. In determining whether or not to opt out, a municipality may want to consider the political temperature of its electorate, because whatever decision it makes may be altered through an initiative.
- Once 12 months has passed, interested market participants can apply for licenses for which LARA must make a licensing decision within 90 days. LARA must also provide a copy of the application to the relevant municipality. After that, there will be a procedure in place for the state to consider licenses per the regulations that LARA will promulgate. Even assuming that applications are submitted the day after the regulations are promulgated (unlikely, given that there will be significant documents for an applicant to collect before submitting an application), the earliest licenses would be issued 90 days after that. We conclude that because the current wait period for applications under medicinal cannabis is several months and we don't expect that it will necessarily be any faster for recreational applications.
- As to retail cannabis operations, for 24 months after accepting applications LARA can only accept applications for retail establishments "from persons holding a state operating license pursuant to the medical marihuana facilities licensing act . . . " MCL § 333.27959(6). That medical cannabis provisioning center must still obtain a separate license for recreational distribution in a manner consistent with the state and local requirements.

- One year after LARA begins accepting applications, it may accept applications from anyone, if LARA concludes that it is necessary to do so to stop black market activities, meet the demand for cannabis or to provide reasonable access to rural areas. *Id.* So, while it is true that the first licenses will be issued to existing medical cannabis facilities, in December 2021, license application will likely open to any non-medical cannabis operators in municipalities that have not opted out. Also note that there is no such requirement for class A growers, microbusinesses or safety compliance facilities. Medical cannabis retail activities will continue in conjunction with recreational sales. In other words, it will not be the case that the medical retailing would stop in lieu of recreational retailing. At least initially, the operator would need to hold a medical cannabis retail license in order to obtain the recreational retailing license. MCL § 333.27959(6).
- We understand that there is a question about a so-called “grandfather clause” as it relates to existing medical cannabis facilities and future recreational facilities. The MRTMA provides: “A municipality may not adopt an ordinance that . . . prohibits a marihuana grower, a marihuana processor, and a marihuana retailer from . . . operating at a location shared with a marihuana facility operating pursuant to the [MMFLA] . . . ” MCL § 333.27956(5). The provision by its plain terms provides that a municipality cannot restrict a medical facility from sharing a location with a recreational facility, but does not require approval of a recreational facility just because it would be sharing space with a medical facility. There may be other reasons that a recreational facility that has applied for a license may not be operating with a medical facility. For example, the municipality may have determined to issue a limited number of licenses in its community and all available licenses are already distributed, which prevents a medical facility from sharing its space. Or, the recreational applicant may not meet other municipal requirements not related to location of the operation. The onus is on the municipality to determine the number and types of licenses it wants to allow operating within its borders. This provision does not require that a municipality issue an approval just because a recreational facility wants to operate with a medical facility. Further, in drafting its requirements for medical facilities, it may wish to consider restrictions on the medical facility approvals with an eye to future recreational operations or delay opting in until the time passes for initial preferential consideration for MMFLA licensed facilities (two years).

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- Even if a municipality opts out, it will not be able to prevent its citizens from owning and using cannabis recreationally within its jurisdiction. This also includes anyone over the age of 21 to possess up to 2.5 ounces of cannabis on their person, up to ten ounces of cannabis in their residence (under lock) or up to 12 plants. Also, as long as it is not advertised, a person may transfer up to 2.5 ounces of cannabis to another person over the age of 21.
- A municipality that has decided not to opt out may adopt other ordinances that set reasonable restrictions on public signs related to licensed cannabis businesses, regulate the time, place and manner of operations, authorize the sale for consumption of cannabis in designated areas for legal consumers and establish an ordinance for civil infractions for violations of its ordinance, fines not to exceed \$500. It cannot restrict medical cannabis facilities and recreational facilities (if both are authorized by state and local laws) from sharing the same space. It also cannot restrict transportation of cannabis legally owned through its jurisdiction. If the municipality does not inform LARA that an applicant is not in compliance with its ordinance, the state will license the applicant. (Recall that the municipality will receive notice that an application for a license within its jurisdiction has been filed.)
- With respect to zoning, LARA will approve an application if “the property where the proposed marihuana establishment is to be located is not within an area zoned exclusively for residential use and is not within 1,000 feet of a pre-existing public or private school providing education in kindergarten or any of grades 1 through 12, **unless a municipality adopts an ordinance that reduces this distance requirement.**” MCL § 333.27959(3)(c). By negative implication, we believe that a municipality cannot make it more restrictive. There is nothing in the MRTMA that specifically preempts local governments from enacting zoning requirements that are not inconsistent with the MRTMA. Pursuant to the statute, “A municipality may adopt other ordinances that are not unreasonably impracticable and do not conflict with this act or with any rule promulgated pursuant to this act . . . ” MCL § 333.27956(2). We believe that the municipality’s full regulatory scope remains in place to the extent it is not inconsistent with specific provisions of the statute.

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- With respect to revenues, a municipality may not charge more than \$5,000 per operation to defray the costs of processing an application or license or for enforcement. The state will collect moneys and deposit them in a “Marijuana Regulation Fund.” Some of the money is earmarked for specific purposes, but unallocated funds are to be distributed, including 15 percent to municipalities that have cannabis retail stores or microbusinesses (but not other licensed activities), allocated in proportion to the number of those operations within their jurisdictions.



**MICHIGAN REGULATION AND TAXATION OF MARIHUANA ACT**  
**Initiated Law 1 of 2018**

An initiation of legislation to allow under state law the personal possession and use of marihuana by persons 21 years of age or older; to provide for the lawful cultivation and sale of marihuana and industrial hemp by persons 21 years of age or older; to permit the taxation of revenue derived from commercial marihuana facilities; to permit the promulgation of administrative rules; and to prescribe certain penalties for violations of this act. If not enacted by the Michigan State Legislature in accordance with the Michigan Constitution of 1963, the proposed legislation is to be voted on at the General Election, November 6, 2018.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

*The People of the State of Michigan enact:*

**333.27951 Short title.**

Sec. 1. This act shall be known and may be cited as the Michigan Regulation and Taxation of Marihuana Act.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

**333.27952 Purpose and intent.**

Sec. 2. The purpose of this act is to make marihuana legal under state and local law for adults 21 years of age or older, to make industrial hemp legal under state and local law, and to control the commercial production and distribution of marihuana under a system that licenses, regulates, and taxes the businesses involved. The intent is to prevent arrest and penalty for personal possession and cultivation of marihuana by adults 21 years of age or older; remove the commercial production and distribution of marihuana from the illicit market; prevent revenue generated from commerce in marihuana from going to criminal enterprises or gangs; prevent the distribution of marihuana to persons under 21 years of age; prevent the diversion of marihuana to illicit markets; ensure the safety of marihuana and marihuana-infused products; and ensure security of marihuana establishments. To the fullest extent possible, this act shall be interpreted in accordance with the purpose and intent set forth in this section.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

**333.27953 Definitions.**

Sec. 3. As used in this act:

(a) "Cultivate" means to propagate, breed, grow, harvest, dry, cure, or separate parts of the marihuana plant by manual or mechanical means.

(b) "Department" means the department of licensing and regulatory affairs.

(c) "Industrial hemp" means a plant of the genus *cannabis* and any part of that plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed 0.3% on a dry-weight basis, or per volume or weight of marihuana-infused product, or the combined percent of delta-9-tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant of the genus *cannabis* regardless of moisture content.

(d) "Licensee" means a person holding a state license.

(e) "Marihuana" means all parts of the plant of the genus *cannabis*, growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds or resin, including marihuana concentrate and marihuana-infused products. For purposes of this act, marihuana does not include:

(1) the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, except the resin extracted from those stalks, fiber, oil, or cake, or any sterilized seed of the plant that is incapable of



germination;

(2) industrial hemp; or

(3) any other ingredient combined with marihuana to prepare topical or oral administrations, food, drink, or other products.

(f) "Marihuana accessories" means any equipment, product, material, or combination of equipment, products, or materials, which is specifically designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, ingesting, inhaling, or otherwise introducing marihuana into the human body.

(g) "Marihuana concentrate" means the resin extracted from any part of the plant of the genus cannabis.

(h) "Marihuana establishment" means a marihuana grower, marihuana safety compliance facility, marihuana processor, marihuana microbusiness, marihuana retailer, marihuana secure transporter, or any other type of marihuana-related business licensed by the department.

(i) "Marihuana grower" means a person licensed to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments.

(j) "Marihuana-infused product" means a topical formulation, tincture, beverage, edible substance, or similar product containing marihuana and other ingredients and that is intended for human consumption.

(k) "Marihuana microbusiness" means a person licensed to cultivate not more than 150 marihuana plants; process and package marihuana; and sell or otherwise transfer marihuana to individuals who are 21 years of age or older to a marihuana safety compliance facility, but not to other marihuana establishments.

(l) "Marihuana processor" means a person licensed to obtain marihuana from marihuana establishments; process and package marihuana; and sell or otherwise transfer marihuana to marihuana establishments.

(m) "Marihuana retailer" means a person licensed to obtain marihuana from marihuana establishments and to sell or otherwise transfer marihuana to marihuana establishments and to individuals who are 21 years of age or older.

(n) "Marihuana secure transporter" means a person licensed to obtain marihuana from marihuana establishments in order to transport marihuana to marihuana establishments.

(o) "Marihuana safety compliance facility" means a person licensed to test marihuana, including certification for potency and the presence of contaminants.

(p) "Municipal license" means a license issued by a municipality pursuant to section 16 of this act that allows a person to operate a marihuana establishment in that municipality.

(q) "Municipality" means a city, village, or township.

(r) "Person" means an individual, corporation, limited liability company, partnership of any type, trust, or other legal entity.

(s) "Process" or "Processing" means to separate or otherwise prepare parts of the marihuana plant and to compound, blend, extract, infuse, or otherwise make or prepare marihuana concentrate or marihuana-infused products.

(t) "State license" means a license issued by the department that allows a person to operate a marihuana establishment.

(u) "Unreasonably impracticable" means that the measures necessary to comply with the rules or ordinances adopted pursuant to this act subject licensees to unreasonable risk or require such a high investment of money, time, or any other resource or asset that a reasonably prudent businessperson would not operate the marihuana establishment.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27954 Scope of act; unauthorized activities with marihuana and marihuana accessories; limitations; application of privileges, rights, immunities, and defenses under other marihuana laws; employer rights; property owner rights.**

Sec. 4. 1. This act does not authorize:

(a) operating, navigating, or being in physical control of any motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat while under the influence of marihuana;

(b) transfer of marihuana or marihuana accessories to a person under the age of 21;

(c) any person under the age of 21 to possess, consume, purchase or otherwise obtain, cultivate, process, transport, or sell marihuana;



(d) separation of plant resin by butane extraction or another method that utilizes a substance with a flashpoint below 100 degrees Fahrenheit in any public place, motor vehicle, or within the curtilage of any residential structure;

(e) consuming marihuana in a public place or smoking marihuana where prohibited by the person who owns, occupies, or manages the property, except for purposes of this subdivision a public place does not include an area designated for consumption within a municipality that has authorized consumption in designated areas that are not accessible to persons under 21 years of age;

(f) cultivating marihuana plants if the plants are visible from a public place without the use of binoculars, aircraft, or other optical aids or outside of an enclosed area equipped with locks or other functioning security devices that restrict access to the area;

(g) consuming marihuana while operating, navigating, or being in physical control of any motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat, or smoking marihuana within the passenger area of a vehicle upon a public way;

(h) possessing marihuana accessories or possessing or consuming marihuana on the grounds of a public or private school where children attend classes in preschool programs, kindergarten programs, or grades 1 through 12, in a school bus, or on the grounds of any correctional facility; or

(i) Possessing more than 2.5 ounces of marihuana within a person's place of residence unless the excess marihuana is stored in a container or area equipped with locks or other functioning security devices that restrict access to the contents of the container or area.

2. This act does not limit any privileges, rights, immunities, or defenses of a person as provided in the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or any other law of this state allowing for or regulating marihuana for medical use.

3. This act does not require an employer to permit or accommodate conduct otherwise allowed by this act in any workplace or on the employer's property. This act does not prohibit an employer from disciplining an employee for violation of a workplace drug policy or for working while under the influence of marihuana. This act does not prevent an employer from refusing to hire, discharging, disciplining, or otherwise taking an adverse employment action against a person with respect to hire, tenure, terms, conditions, or privileges of employment because of that person's violation of a workplace drug policy or because that person was working while under the influence of marihuana.

4. This act allows a person to prohibit or otherwise regulate the consumption, cultivation, distribution, processing, sale, or display of marihuana and marihuana accessories on property the person owns, occupies, or manages, except that a lease agreement may not prohibit a tenant from lawfully possessing and consuming marihuana by means other than smoking.

5. All other laws inconsistent with this act do not apply to conduct that is permitted by this act.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27955 Lawful activities by person 21 years of age or older; terms, conditions, limitations, and restrictions; denial of custody or visitation prohibited.**

Sec. 5. 1. Notwithstanding any other law or provision of this act, and except as otherwise provided in section 4 of this act, the following acts by a person 21 years of age or older are not unlawful, are not an offense, are not grounds for seizing or forfeiting property, are not grounds for arrest, prosecution, or penalty in any manner, are not grounds for search or inspection, and are not grounds to deny any other right or privilege:

(a) except as permitted by subdivision (b), possessing, using or consuming, internally possessing, purchasing, transporting, or processing 2.5 ounces or less of marihuana, except that not more than 15 grams of marihuana may be in the form of marihuana concentrate;

(b) within the person's residence, possessing, storing, and processing not more than 10 ounces of marihuana and any marihuana produced by marihuana plants cultivated on the premises and cultivating not more than 12 marihuana plants for personal use, provided that no more than 12 marihuana plants are possessed, cultivated, or processed on the premises at once;

(c) assisting another person who is 21 years of age or older in any of the acts described in this section; and

(d) giving away or otherwise transferring without remuneration up to 2.5 ounces of marihuana, except that not more than 15 grams of marihuana may be in the form of marihuana concentrate, to a person 21 years of



age or older, as long as the transfer is not advertised or promoted to the public.

2. Notwithstanding any other law or provision of this act, except as otherwise provided in section 4 of this act, the use, manufacture, possession, and purchase of marihuana accessories by a person 21 years of age or older and the distribution or sale of marihuana accessories to a person 21 years of age or older is authorized, is not unlawful, is not an offense, is not grounds for seizing or forfeiting property, is not grounds for arrest, prosecution, or penalty in any manner, and is not grounds to deny any other right or privilege.

3. A person shall not be denied custody of or visitation with a minor for conduct that is permitted by this act, unless the person's behavior is such that it creates an unreasonable danger to the minor that can be clearly articulated and substantiated.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27956 Adoption or enforcement of ordinances by municipality; marihuana establishment local license; annual fee; restrictions on transportation or other facilities prohibited.**

Sec. 6. 1. Except as provided in section 4, a municipality may completely prohibit or limit the number of marihuana establishments within its boundaries. Individuals may petition to initiate an ordinance to provide for the number of marihuana establishments allowed within a municipality or to completely prohibit marihuana establishments within a municipality, and such ordinance shall be submitted to the electors of the municipality at the next regular election when a petition is signed by qualified electors in the municipality in a number greater than 5% of the votes cast for governor by qualified electors in the municipality at the last gubernatorial election. A petition under this subsection is subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488.

2. A municipality may adopt other ordinances that are not unreasonably impracticable and do not conflict with this act or with any rule promulgated pursuant to this act and that:

- (a) establish reasonable restrictions on public signs related to marihuana establishments;
- (b) regulate the time, place, and manner of operation of marihuana establishments and of the production, manufacture, sale, or display of marihuana accessories;
- (c) authorize the sale of marihuana for consumption in designated areas that are not accessible to persons under 21 years of age, or at special events in limited areas and for a limited time; and
- (d) designate a violation of the ordinance and provide for a penalty for that violation by a marihuana establishment, provided that such violation is a civil infraction and such penalty is a civil fine of not more than \$500.

3. A municipality may adopt an ordinance requiring a marihuana establishment with a physical location within the municipality to obtain a municipal license, but may not impose qualifications for licensure that conflict with this act or rules promulgated by the department.

4. A municipality may charge an annual fee of not more than \$5,000 to defray application, administrative, and enforcement costs associated with the operation of the marihuana establishment in the municipality.

5. A municipality may not adopt an ordinance that restricts the transportation of marihuana through the municipality or prohibits a marihuana grower, a marihuana processor, and a marihuana retailer from operating within a single facility or from operating at a location shared with a marihuana facility operating pursuant to the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27957 Implementation, administration, and enforcement by department; powers; duties; public meetings; annual report.**

Sec. 7. 1. The department is responsible for implementing this act and has the powers and duties necessary to control the commercial production and distribution of marihuana. The department shall employ personnel and may contract with advisors and consultants as necessary to adequately perform its duties. No person who is pecuniarily interested, directly or indirectly, in any marihuana establishment may be an employee, advisor, or consultant involved in the implementation, administration, or enforcement of this act. An employee, advisor, or consultant of the department may not be personally liable for any action at law for damages sustained by a person because of an action performed or done in the performance of their duties in the



implementation, administration, or enforcement of this act. The department of state police shall cooperate and assist the department in conducting background investigations of applicants. Responsibilities of the department include:

(a) promulgating rules pursuant to section 8 of this act that are necessary to implement, administer, and enforce this act;

(b) granting or denying each application for licensure and investigating each applicant to determine eligibility for licensure, including conducting a background investigation on each person holding an ownership interest in the applicant;

(c) ensuring compliance with this act and the rules promulgated thereunder by marihuana establishments by performing investigations of compliance and regular inspections of marihuana establishments and by taking appropriate disciplinary action against a licensee, including prescribing civil fines for violations of this act or rules and suspending, restricting, or revoking a state license;

(d) holding at least 4 public meetings each calendar year for the purpose of hearing complaints and receiving the views of the public with respect to administration of this act;

(e) collecting fees for licensure and fines for violations of this act or rules promulgated thereunder, depositing all fees collected in the marihuana regulation fund established by section 14 of this act, and remitting all fines collected to be deposited in the general fund; and

(f) submitting an annual report to the governor covering the previous year, which report shall include the number of state licenses of each class issued, demographic information on licensees, a description of enforcement and disciplinary actions taken against licensees, and a statement of revenues and expenses of the department related to the implementation, administration, and enforcement of this act.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27958 Rules; limitations.**

Sec. 8. 1. The department shall promulgate rules to implement and administer this act pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to MCL 24.328, including:

(a) procedures for issuing a state license pursuant to section 9 of this act and for renewing, suspending, and revoking a state license;

(b) a schedule of fees in amounts not more than necessary to pay for implementation, administration, and enforcement costs of this act and that relate to the size of each licensee or the volume of business conducted by the licensee;

(c) qualifications for licensure that are directly and demonstrably related to the operation of a marihuana establishment, provided that a prior conviction solely for a marihuana-related offense does not disqualify an individual or otherwise affect eligibility for licensure, unless the offense involved distribution of a controlled substance to a minor;

(d) requirements and standards for safe cultivation, processing, and distribution of marihuana by marihuana establishments, including health standards to ensure the safe preparation of marihuana-infused products and prohibitions on pesticides that are not safe for use on marihuana;

(e) testing, packaging, and labeling standards, procedures, and requirements for marihuana, including a maximum tetrahydrocannabinol level for marihuana-infused products, a requirement that a representative sample of marihuana be tested by a marihuana safety compliance facility, and a requirement that the amount of marihuana or marihuana concentrate contained within a marihuana-infused product be specified on the product label;

(f) security requirements, including lighting, physical security, and alarm requirements, and requirements for securely transporting marihuana between marihuana establishments, provided that such requirements do not prohibit cultivation of marihuana outdoors or in greenhouses;

(g) record keeping requirements for marihuana establishments and monitoring requirements to track the transfer of marihuana by licensees;

(h) requirements for the operation of marihuana secure transporters to ensure that all marihuana establishments are properly serviced;

(i) reasonable restrictions on advertising, marketing, and display of marihuana and marihuana establishments;

(j) a plan to promote and encourage participation in the marihuana industry by people from communities that have been disproportionately impacted by marihuana prohibition and enforcement and to positively



impact those communities; and

(k) penalties for failure to comply with any rule promulgated pursuant to this section or for any violation of this act by a licensee, including civil fines and suspension, revocation, or restriction of a state license.

2. In furtherance of the intent of this act, the department may promulgate rules to:

(a) provide for the issuance of additional types or classes of state licenses to operate marihuana-related businesses, including licenses that authorize only limited cultivation, processing, transportation, delivery, storage, sale, or purchase of marihuana, licenses that authorize the consumption of marihuana within designated areas, licenses that authorize the consumption of marihuana at special events in limited areas and for a limited time, licenses that authorize cultivation for purposes of propagation, and licenses intended to facilitate scientific research or education; or

(b) regulate the cultivation, processing, distribution, and sale of industrial hemp.

3. The department may not promulgate a rule that:

(a) establishes a limit on the number of any type of state licenses that may be granted;

(b) requires a customer to provide a marihuana retailer with identifying information other than identification to determine the customer's age or requires the marihuana retailer to acquire or record personal information about customers other than information typically required in a retail transaction;

(c) prohibits a marihuana establishment from operating at a shared location of a marihuana facility operating pursuant to the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or prohibits a marihuana grower, marihuana processor, or marihuana retailer from operating within a single facility; or

(d) is unreasonably impracticable.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27959 License to operate a marihuana establishment; application; qualifications; issuance; disclosure.**

Sec. 9. 1. Each application for a state license must be submitted to the department. Upon receipt of a complete application and application fee, the department shall forward a copy of the application to the municipality in which the marihuana establishment is to be located, determine whether the applicant and the premises qualify for the state license and comply with this act, and issue the appropriate state license or send the applicant a notice of rejection setting forth specific reasons why the department did not approve the state license application within 90 days.

2. The department shall issue the following state license types: marihuana retailer; marihuana safety compliance facility; marihuana secure transporter; marihuana processor; marihuana microbusiness; class A marihuana grower authorizing cultivation of not more than 100 marihuana plants; class B marihuana grower authorizing cultivation of not more than 500 marihuana plants; and class C marihuana grower authorizing cultivation of not more than 2,000 marihuana plants.

3. Except as otherwise provided in this section, the department shall approve a state license application and issue a state license if:

(a) the applicant has submitted an application in compliance with the rules promulgated by the department, is in compliance with this act and the rules, and has paid the required fee;

(b) the municipality in which the proposed marihuana establishment will be located does not notify the department that the proposed marihuana establishment is not in compliance with an ordinance consistent with section 6 of this act and in effect at the time of application;

(c) the property where the proposed marihuana establishment is to be located is not within an area zoned exclusively for residential use and is not within 1,000 feet of a pre-existing public or private school providing education in kindergarten or any of grades 1 through 12, unless a municipality adopts an ordinance that reduces this distance requirement;

(d) no person who holds an ownership interest in the marihuana establishment applicant:

(1) will hold an ownership interest in both a marihuana safety compliance facility or in a marihuana secure transporter and in a marihuana grower, a marihuana processor, a marihuana retailer, or a marihuana microbusiness;

(2) will hold an ownership interest in both a marihuana microbusiness and in a marihuana grower, a marihuana processor, a marihuana retailer, a marihuana safety compliance facility, or a marihuana secure transporter; and



(3) will hold an ownership interest in more than 5 marihuana growers or in more than 1 marihuana microbusiness, except that the department may approve a license application from a person who holds an ownership interest in more than 5 marihuana growers or more than 1 marihuana microbusiness if, after January 1, 2023, the department promulgates a rule authorizing an individual to hold an ownership interest in more than 5 marihuana growers or in more than 1 marihuana microbusiness.

4. If a municipality limits the number of marihuana establishments that may be licensed in the municipality pursuant to section 6 of this act and that limit prevents the department from issuing a state license to all applicants who meet the requirements of subsection 3 of this section, the municipality shall decide among competing applications by a competitive process intended to select applicants who are best suited to operate in compliance with this act within the municipality.

5. All state licenses are effective for 1 year, unless the department issues the state license for a longer term. A state license is renewed upon receipt of a complete renewal application and a renewal fee from any marihuana establishment in good standing.

6. The department shall begin accepting applications for marihuana establishments within 12 months after the effective date of this act. Except as otherwise provided in this section, for 24 months after the department begins to receive applications for marihuana establishments, the department may only accept applications for licensure: for a class A marihuana grower or for a marihuana microbusiness, from persons who are residents of Michigan; for a marihuana retailer, marihuana processor, class B marihuana grower, class C marihuana grower, or a marihuana secure transporter, from persons holding a state operating license pursuant to the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801; and for a marihuana safety compliance facility, from any applicant. One year after the department begins to accept applications pursuant to this section, the department shall begin accepting applications from any applicant if the department determines that additional state licenses are necessary to minimize the illegal market for marihuana in this state, to efficiently meet the demand for marihuana, or to provide for reasonable access to marihuana in rural areas.

7. Information obtained from an applicant related to licensure under this act is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018..

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27960 Lawful activities by marihuana grower, processor, transporter, or retailer; limitations; contracts related to operation of marihuana establishments.**

Sec. 10. 1. Notwithstanding any other law or provision of this act, and except as otherwise provided in section 4 of this act or the rules promulgated thereunder, the following acts are not unlawful, are not an offense, are not grounds for seizing or forfeiting property, are not grounds for arrest, prosecution, or penalty in any manner, are not grounds for search or inspection except as authorized by this act, and are not grounds to deny any other right or privilege:

(a) a marihuana grower or an agent acting on behalf of a marihuana grower who is 21 years of age or older, cultivating not more than the number of marihuana plants authorized by the state license class; possessing, packaging, storing, or testing marihuana; acquiring marihuana seeds or seedlings from a person who is 21 years of age or older; selling or otherwise transferring, purchasing or otherwise obtaining, or transporting marihuana to or from a marihuana establishment; or receiving compensation for goods or services;

(b) a marihuana processor or agent acting on behalf of a marihuana processor who is 21 years of age or older, possessing, processing, packaging, storing, or testing marihuana; selling or otherwise transferring, purchasing or otherwise obtaining, or transporting marihuana to or from a marihuana establishment; or receiving compensation for goods or services;

(c) a marihuana secure transporter or an agent acting on behalf of a marihuana secure transporter who is 21 years of age or older, possessing or storing marihuana; transporting marihuana to or from a marihuana establishment; or receiving compensation for services;

(d) a marihuana safety compliance facility or an agent acting on behalf of a marihuana safety compliance facility who is 21 years of age or older, testing, possessing, repackaging, or storing marihuana; transferring, obtaining, or transporting marihuana to or from a marihuana establishment; or receiving compensation for services;

(e) a marihuana retailer or an agent acting on behalf of a marihuana retailer who is 21 years of age or older, possessing, storing, or testing marihuana; selling or otherwise transferring, purchasing or otherwise obtaining,



or transporting marihuana to or from a marihuana establishment; selling or otherwise transferring marihuana to a person 21 years of age or older; or receiving compensation for goods or services; or

(f) a marihuana microbusiness or an agent acting on behalf of a marihuana microbusiness who is 21 years of age or older, cultivating not more than 150 marihuana plants; possessing, processing, packaging, storing, or testing marihuana from marihuana plants cultivated on the premises; selling or otherwise transferring marihuana cultivated or processed on the premises to a person 21 years of age or older; or receiving compensation for goods or services.

(g) leasing or otherwise allowing the use of property owned, occupied, or managed for activities allowed under this act;

(h) enrolling or employing a person who engages in marihuana-related activities allowed under this act;

(i) possessing, cultivating, processing, obtaining, transferring, or transporting industrial hemp; or

(j) providing professional services to prospective or licensed marihuana establishments related to activity under this act.

2. A person acting as an agent of a marihuana retailer who sells or otherwise transfers marihuana or marihuana accessories to a person under 21 years of age is not subject to arrest, prosecution, forfeiture of property, disciplinary action by a professional licensing board, denial of any right or privilege, or penalty in any manner, if the person reasonably verified that the recipient appeared to be 21 years of age or older by means of government-issued photographic identification containing a date of birth, and the person complied with any rules promulgated pursuant to this act.

3. It is the public policy of this state that contracts related to the operation of marihuana establishments be enforceable.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27961 Marihuana establishments; requirements; limitations.**

Sec. 11. (a) A marihuana establishment may not allow cultivation, processing, sale, or display of marihuana or marihuana accessories to be visible from a public place outside of the marihuana establishment without the use of binoculars, aircraft, or other optical aids.

(b) A marihuana establishment may not cultivate, process, test, or store marihuana at any location other than a physical address approved by the department and within an enclosed area that is secured in a manner that prevents access by persons not permitted by the marihuana establishment to access the area.

(c) A marihuana establishment shall secure every entrance to the establishment so that access to areas containing marihuana is restricted to employees and other persons permitted by the marihuana establishment to access the area and to agents of the department or state and local law enforcement officers and emergency personnel and shall secure its inventory and equipment during and after operating hours to deter and prevent theft of marihuana and marihuana accessories.

(d) No marihuana establishment may refuse representatives of the department the right during the hours of operation to inspect the licensed premises or to audit the books and records of the marihuana establishment.

(e) No marihuana establishment may allow a person under 21 years of age to volunteer or work for the marihuana establishment.

(f) No marihuana establishment may sell or otherwise transfer marihuana that was not produced, distributed, and taxed in compliance with this act.

(g) A marihuana grower, marihuana retailer, marihuana processor, marihuana microbusiness, or marihuana testing facility or agents acting on their behalf may not transport more than 15 ounces of marihuana or more than 60 grams of marihuana concentrate at one time.

(h) A marihuana secure transporter may not hold title to marihuana.

(i) No marihuana processor may process and no marihuana retailer may sell edible marihuana-infused candy in shapes or packages that are attractive to children or that are easily confused with commercially sold candy that does not contain marihuana.

(j) No marihuana retailer may sell or otherwise transfer marihuana that is not contained in an opaque, resealable, child-resistant package designed to be significantly difficult for children under 5 years of age to open and not difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995), unless the marihuana is transferred for consumption on the premises where sold.

(k) No marihuana establishment may sell or otherwise transfer tobacco.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.



**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27962 Deduction of certain expenses from income.**

Sec. 12. In computing net income for marihuana establishments, deductions from state taxes are allowed for all the ordinary and necessary expenses paid or incurred during the taxable year in carrying out a trade or business.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27963 Imposition of excise tax.**

Sec. 13. 1. In addition to all other taxes, an excise tax is imposed on each marihuana retailer and on each marihuana microbusiness at the rate of 10% of the sales price for marihuana sold or otherwise transferred to anyone other than a marihuana establishment.

2. Except as otherwise provided by a rule promulgated by the department of treasury, a product subject to the tax imposed by this section may not be bundled in a single transaction with a product or service that is not subject to the tax imposed by this section.

3. The department of treasury shall administer the taxes imposed under this act and may promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to MCL 24.328, that prescribe a method and manner for payment of the tax to ensure proper tax collection under this act.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27964 Marihuana regulation fund; creation; administration; allocation of expenditures.**

Sec. 14. 1. The marihuana regulation fund is created in the state treasury. The department of treasury shall deposit all money collected under section 13 of this act and the department shall deposit all fees collected in the fund. The state treasurer shall direct the investment of the fund and shall credit the fund interest and earnings from fund investments. The department shall administer the fund for auditing purposes. Money in the fund shall not lapse to the general fund.

2. Funds for the initial activities of the department to implement this act shall be appropriated from the general fund. The department shall repay any amount appropriated under this subsection from proceeds in the fund.

3. The department shall expend money in the fund first for the implementation, administration, and enforcement of this act, and second, until 2022 or for at least two years, to provide \$20 million annually to one or more clinical trials that are approved by the United States food and drug administration and sponsored by a non-profit organization or researcher within an academic institution researching the efficacy of marihuana in treating the medical conditions of United States armed services veterans and preventing veteran suicide. Upon appropriation, unexpended balances must be allocated as follows:

(a) 15% to municipalities in which a marihuana retail store or a marihuana microbusiness is located, allocated in proportion to the number of marihuana retail stores and marihuana microbusinesses within the municipality;

(b) 15% to counties in which a marihuana retail store or a marihuana microbusiness is located, allocated in proportion to the number of marihuana retail stores and marihuana microbusinesses within the county;

(c) 35% to the school aid fund to be used for K-12 education; and

(d) 35% to the Michigan transportation fund to be used for the repair and maintenance of roads and bridges.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27965 Violations; penalties.**

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Sec. 15. A person who commits any of the following acts, and is not otherwise authorized by this act to conduct such activities, may be punished only as provided in this section and is not subject to any other form of punishment or disqualification, unless the person consents to another disposition authorized by law:

1. Except for a person who engaged in conduct described in sections 4(1)(a), 4(1)(b), 4(1)(c), 4(1)(d), 4(1)(g), or 4(1)(h), a person who possesses not more than the amount of marihuana allowed by section 5, cultivates not more than the amount of marihuana allowed by section 5, delivers without receiving any remuneration to a person who is at least 21 years of age not more than the amount of marihuana allowed by section 5, or possesses with intent to deliver not more than the amount of marihuana allowed by section 5, is responsible for a civil infraction and may be punished by a fine of not more than \$100 and forfeiture of the marihuana.

2. Except for a person who engaged in conduct described in section 4, a person who possesses not more than twice the amount of marihuana allowed by section 5, cultivates not more than twice the amount of marihuana allowed by section 5, delivers without receiving any remuneration to a person who is at least 21 years of age not more than twice the amount of marihuana allowed by section 5, or possesses with intent to deliver not more than twice the amount of marihuana allowed by section 5:

(a) for a first violation, is responsible for a civil infraction and may be punished by a fine of not more than \$500 and forfeiture of the marihuana;

(b) for a second violation, is responsible for a civil infraction and may be punished by a fine of not more than \$1,000 and forfeiture of the marihuana;

(c) for a third or subsequent violation, is guilty of a misdemeanor and may be punished by a fine of not more than \$2,000 and forfeiture of the marihuana.

3. Except for a person who engaged in conduct described by section 4(1)(a), 4(1)(d), or 4(1)(g), a person under 21 years of age who possesses not more than 2.5 ounces of marihuana or who cultivates not more than 12 marihuana plants:

(a) for a first violation, is responsible for a civil infraction and may be punished as follows:

(1) if the person is less than 18 years of age, by a fine of not more than \$100 or community service, forfeiture of the marihuana, and completion of 4 hours of drug education or counseling; or

(2) if the person is at least 18 years of age, by a fine of not more than \$100 and forfeiture of the marihuana.

(b) for a second violation, is responsible for a civil infraction and may be punished as follows:

(1) if the person is less than 18 years of age, by a fine of not more than \$500 or community service, forfeiture of the marihuana, and completion of 8 hours of drug education or counseling; or

(2) if the person is at least 18 years of age, by a fine of not more than \$500 and forfeiture of the marihuana.

4. Except for a person who engaged in conduct described in section 4, a person who possesses more than twice the amount of marihuana allowed by section 5, cultivates more than twice the amount of marihuana allowed by section 5, or delivers without receiving any remuneration to a person who is at least 21 years of age more than twice the amount of marihuana allowed by section 5, shall be responsible for a misdemeanor, but shall not be subject to imprisonment unless the violation was habitual, willful, and for a commercial purpose or the violation involved violence.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

### **333.27966 Failure to act by department; application to municipality.**

Sec. 16. 1. If the department does not timely promulgate rules as required by section 8 of this act or accept or process applications in accordance with section 9 of this act, beginning one year after the effective date of this act, an applicant may submit an application for a marihuana establishment directly to the municipality where the marihuana establishment will be located.

2. If a marihuana establishment submits an application to a municipality under this section, the municipality shall issue a municipal license to the applicant within 90 days after receipt of the application unless the municipality finds and notifies the applicant that the applicant is not in compliance with an ordinance or rule adopted pursuant to this act.

3. If a municipality issues a municipal license pursuant to this section:

(a) the municipality shall notify the department that the municipal license has been issued;

(b) the municipal license has the same force and effect as a state license; and

(c) the holder of the municipal license is not subject to regulation or enforcement by the department during the municipal license term.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

**333.27967 Construction of act; effect of federal law; severability.**

Sec. 17. This act shall be broadly construed to accomplish its intent as stated in section 2 of this act. Nothing in this act purports to supersede any applicable federal law, except where allowed by federal law. All provisions of this act are self-executing. Any section of this act that is found invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

**History:** 2018, Initiated Law 1, Eff. Dec. 6, 2018.

**Compiler's note:** This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.





# Recreational Marihuana Proposition



michigan municipal league

We love  
where you live.

This paper is being provided by the  
Michigan Municipal League (MML) to  
assist its member communities.

The MML Legal Defense Fund authorized its preparation by Kalamazoo City Attorney Clyde Robinson. The document does not constitute legal advice and the material is provided as information only. All references should be independently confirmed.

The spelling of "marihuana" in this paper is the one used in the Michigan statutes and is the equivalent of "marijuana."

## Other resources

The Michigan Municipal League has compiled numerous resource materials on medical marihuana and is building its resources on recreational marihuana. They are available via the MML web site at:  
[www.mml.org/resources/information/mi-med-marihuana.html](http://www.mml.org/resources/information/mi-med-marihuana.html)

# Introduction

This paper is intended to provide municipal attorneys and their clients an idea of what to expect and the issues to be addressed, given the adoption by Michigan voters of Initiated Law 1 of 2018 generally legalizing marihuana on November 6, 2018. The scope of this paper will outline the provisions of the initiated statute and address some of the practical consequences for municipalities while raising concerns that local governmental officials should be prepared to confront. It is assumed that the reader has a working knowledge of both the Michigan Medical Marihuana Act (MMMA), MCL 333.26421 *et seq.*, and in particular the Michigan Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*

While the initiated law, titled the Michigan Regulation and Taxation of Marihuana Act (MRTMA), uses some of the same terms found in the MMFLA, the language between the two Acts is not consistent. This circumstance alone, as well as other features of the initiated statute, requires a thoughtful and thorough review of the language adopted by Michigan voters and its potential impact at the local municipal level.

At its core, the MRTMA authorizes the possession and nonmedical use of marihuana by individuals 21 years of age and older, while establishing a regulatory framework to control the commercial production and distribution of marihuana outside of the medical context. While the regulatory scheme of the MRTMA is similar to that of the MMFLA, it also differs in significant ways.



# When would the proposed law become effective if approved?

Under the provisions of Article II, § 9 of the Michigan Constitution, an initiated law takes effect 10 days after the official declaration of the vote. The State Board of Canvassers met on November 26 and certified the November 6 election results, so the effective date of the law will be December 6, 2018. The immediate effect of the law authorizes individuals age 21 and older to openly possess a small amount of marihuana and marihuana concentrate on their person, and possess and grow a larger amount of marihuana at their residence. Given the relatively short period to adjust to the change in the legal status of marihuana in Michigan, law enforcement officers should be provided training in advance of this change in the law so as to avoid claims of false arrest and allegations of Fourth Amendment unlawful search violations. This becomes particularly acute for law enforcement agencies that use drug-sniffing dogs that were trained to detect marihuana. Those animals will likely have to be retired from service as they cannot be relied upon to provide probable cause to support a search. Additionally, officers will have to deal with how to handle marihuana discovered in the course of a search incident to an arrest for another offense.

Another constitutional feature of a voter-initiated law is that it can only be amended by a vote of the electors or by  $\frac{3}{4}$  vote of each house of the Legislature. This likely makes amending the statute difficult, but not impossible, as the MMMA has been amended at least twice since its adoption by the voters in 2008.

As for the actual licensure of businesses authorized to grow, process, and sell recreational marihuana, the Act requires that the Michigan Department of Licensing and Regulatory Affairs (LARA) begin accepting applications for state-issued licenses no later than a year after the effective date of the law and issue the appropriate license or notice of rejection within 90 days. (MRTMA § 9) Unlike the MMFLA, there is not a specific licensing board created to review and grant recreational marihuana establishment licenses. Given the deliberate speed of LARA and the Medical Marihuana Licensing Board in processing and authorizing licenses under the MMFLA, it is an open question whether the statutory deadline will be met. If it can't, then

the burden of licensing recreational marihuana establishments will fall to local municipalities, because the MRTMA specifically provides that if LARA does not timely promulgate rules or accept or process applications, "beginning one year after the effective date of this act," an applicant may seek licensure directly from the municipality where the marihuana business will be located. (MRTMA § 16)

Under this scenario, a municipality has 90 days after receipt of an application to issue a license or deny licensure. Grounds for denial of a license are limited to an applicant not being in compliance with an ordinance whose provisions are not "unreasonably impracticable," or a LARA rule issued pursuant to the MRTMA. If a municipality issues a license under these circumstances, it must notify LARA that a municipal license has been issued. The holder of a municipally-issued license is not subject to LARA regulation during the one-year term of the license; in other words, the municipality becomes the sole licensing and regulatory body for recreational marihuana businesses in the community in this circumstance. Any ordinance seeking to regulate recreational marihuana businesses should be drafted with the potential for this circumstance in mind.

## What does the initiated statute seek to do?

The purposes actually stated in the MRTMA are many and varied. In addition to legalizing the recreational use of marihuana by persons 21 years and older, the statute 1) legalizes industrial hemp (cannabis with a THC concentration not exceeding 0.3 percent), and 2) licenses, regulates, and taxes the businesses involved in the commercial production and distribution of nonmedical marihuana. According to Section 2 of the statute, the intent of the law is to:

- prevent arrest and penalty for personal possession and cultivation of marihuana by adults 21 years of age and older;
- remove the commercial production and distribution of marihuana from the illicit market;
- prevent revenue generated from commerce and marihuana from going to criminal enterprises or gangs;
- prevent the distribution of marihuana to persons under 21 years of age;

- prevent the diversion of marihuana to illicit markets;
- ensure the safety of marihuana and marihuana infused products; and
- ensure the security of marihuana establishments.

Whether the MRTMA will actually live up to all of these intentions is open to question as many of the areas mentioned are not directly addressed in the law. For instance, since the establishments that will be authorized to grow, process, and sell recreational marihuana will not be licensed until early 2020, how is it that individuals can lawfully obtain and possess marihuana upon the effective date of the Act?

## What the statute permits

Under Section 5 of the MRTMA, persons 21 years of age and older are specifically permitted to:

- possess, use, consume, purchase, transport, or process 2.5 ounces or less of marihuana, of which not more than 15 grams (0.53 oz.) may be in the form of marihuana concentrate;
- within a person's residence, possess, store, and process not more than a) 10 ounces of marihuana; b) any marihuana produced by marihuana plants cultivated on the premises; and c) for one's personal use, cultivate up to 12 plants at any one time, on one's premises;
- give away or otherwise transfer, without remuneration, up to 2.5 ounces of marihuana except that not more than 15 g of marihuana may be in the form of marihuana concentrate, to a person 21 years of age or older as long as the transfer is not advertised or promoted to the public (registered medical marihuana caregivers and patients will be able to "give away" marihuana to non-patients);
- assist another person who is 21 years of age or more in any of the acts described above; and
- use, manufacture, possess, and purchase marihuana accessories and distribute or sell marihuana accessories to persons who are 21 years of age and older.

Although not a direct concern of municipalities, law enforcement and social service agencies need to be cognizant that the Act specifically provides that "a person shall not be denied custody of or visitation with the minor for conduct that is permitted by the Act, unless the person's behavior such that it creates an unreasonable danger to the minor they can be clearly articulated and substantiated." MRTMA § 5. Exactly what this phrase means will likely be a source of litigation in the family division of the circuit courts.

The possession limits under the MRTMA are the most generous in the nation. Most other states that have legalized marihuana permit possession of only one ounce of usable marihuana, 3.5g to 7g of concentrate, limit the number of plants to six, and do not permit possession of an extra amount within one's residence. An additional concern arises as to how these limits will be applied. It will be asserted that the limits are per every individual age 21 or older who resides at the premises. So, the statutory permissible possessory amounts are ostensibly doubled for a married couple and quadrupled or more for a group of college students or an extended family sharing a residence. While this same concern is also present under the MMMA, the quantity of marihuana permitted to be possessed under the MMMA is significantly less than under the MRTMA, and lawful possessors (patients and caregivers) are required to be registered with the State.

## What is "Not Authorized" under the statute

The initiated law does not set forth outright prohibitions, but instead cleverly explains what the "act does not authorize." Specifically, under the terms of Section 4 of the MRTMA, one is not authorized to:

- operate while under the influence of marihuana or consume marihuana while operating a motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat, or smoke marihuana while in the passenger area of the vehicle on a public way;
- transfer marihuana or marihuana accessories to a person under the age of 21;



- process, consume, purchase, or otherwise obtain, cultivate, process, transport, or sell marihuana if under the age of 21;
- separate plant resin by butane extraction or other method that utilizes a substance with the flashpoint below 100° Fahrenheit in any public place motor vehicle or within the curtilage of any residential structure (This prohibition is broader than the one limited solely to butane extraction found in the MMMA.);
- consume marihuana in a public place or smoke marihuana where prohibited by a person who owns occupies or manages property; however, a public place does not include an area designated for consumption within the municipality that has authorized consumption in a designated area not accessible to persons under 21 years of age;
- cultivate marihuana plants if plants are visible from a public place without the use of binoculars, aircraft, or other optical aids; or, outside of an enclosed area equipped with locks or other functioning security devices that restrict access;
- possess marihuana accessories or possess or consume marihuana on the grounds of a public or private school where children attend preschool, kindergarten, or grades one through 12; in a school bus; or on the grounds of any correctional facility; and
- possess more than 2.5 ounces of marihuana within a person's place of residence unless any excess marihuana is stored in a container or area equipped with locks or other functioning security devices that restrict access to the contents of the container or area.

MRTMA § 4.5 then provides that “All other laws inconsistent with this act do not apply to conduct that is permitted by this act.” This general statement does not provide for a total repeal of existing marihuana laws, but its lack of specificity to other statutes being impacted, something that the Legislative Service Bureau helps the Legislature avoid, may portend problems in its application.

## Differences in terminology between statutes addressing medical and recreational marihuana

The MRTMA does not neatly fit with the MMMA. It provides at Section 4.2 that it “does not limit any privileges, rights, immunities or defenses of a person as provided” by the MMMA. This raises the question whether registered patients and caregivers may lawfully possess marihuana exceeding the amounts permitted under the MMMA. However, this may become a moot point, since in all probability, once the commercial provisions of the MRTMA are fully in operation, the number of registered patients and caregivers under the MMMA could reasonably be expected to drop significantly, as its practical application would largely be limited to registered patients under the age of 21 and their caregivers.

Additionally, the MRTMA references the MMFLA at several places. In addition to the “does not limit” language referenced above, the statute at § 9.6 provides that for the first 24 months after LARA begins accepting applications for marihuana establishment licenses, only those persons holding a MMFLA license may apply for a retailer, processor, class B or class C grower, or secure transporter license issued under the MRTMA. And § 8.3(c), is broadly worded so as to preclude LARA from promulgating rules which prohibit a recreational marihuana establishment from operating at a shared location with a licensed medical marihuana facility.

The lack of consistency between the statute addressing medical marihuana and the recreational marihuana statute is reflected in the following chart.

## Key Differences between Medical Marihuana and Proposed Recreational Marihuana Statutes

	MMFLA	MMMA	Proposed MRTMA
Grower Limits			
Class A	500 plant limit		100 plant limit (limited to Michigan residents for first two years)
Class B	1000 plant limit		500 plant limit
Class C	1500 plant limit; stackable		2000 plant limit; not clear if stackable
Microbusiness	-----		150 plant limit (limited to Michigan residents for first two years)
Secure Transporter	Required to move marihuana between licensed facilities; may move money		No specific requirement to use; no authority to transport money
Compliance with Marihuana Tracking Act	Required		No reference or requirement
Plant Resin Separation	-----	Butane extraction prohibited in a public place, motor vehicle, or inside a residence or within curtilage of a residential structure or in a reckless manner	Butane extraction or another method that utilizes a substance with a flashpoint below 100° F prohibited in a public place, motor vehicle, or within curtilage of any residential structure
Possession Limits			
Registered Patient (18 years and older, but can be less than 18)		2.5 oz. useable marihuana and 12 plants*	
Registered Caregiver (five patient limit)		2.5 oz. useable marihuana and 12 plants per patient*	

## Key Differences between Medical Marihuana and Proposed Recreational Marihuana Statutes

	MMFLA	MMMA	Proposed MRTMA
<b>Possession Limits</b>			
Other Persons (21 years and older under MRTMA)		Not permitted	(a) 2.5 oz. of marihuana, of which not more than 15 grams may be concentrate; (b) 10 oz. secured within one's residence; (c) any amount produced by plants cultivated on the premises; and (d) 12 plants
<b>Inconsistent Terms</b>			
Licensed marihuana businesses	marihuana facility		marihuana establishment
Equipment to grow, process or use marihuana	paraphernalia		marihuana accessories
Business that sells marihuana	provisioning center		marihuana retailer
Certain parts of marihuana plant	Usable marihuana and usable marihuana equivalencies		Term not used
Marihuana-infused products	Excludes products consumed by smoking; exempts products from food law		Does not exclude products consumed by smoking or provide food law exemption
Enclosed, locked facility		Specifically defined to address a structure, an outdoor grow area, and motor vehicles	Container or area within a person's residence equipped with locks or other functioning security device that restricts access to the area or container's contents
Limitations on scope of local regulation	Purity, pricing or conflict with MMFLA or LARA rules		"Unreasonably Impracticable" or conflict with MRTMA or LARA rules

## Key Differences between Medical Marihuana and Proposed Recreational Marihuana Statutes

	MMFLA	MMMA	Proposed MRTMA
Inconsistent Terms			
Property rights	License is a revocable privilege, not a property right; facilities subject to inspection and examination without a warrant		Not addressed
Zoning	Municipalities specifically authorized to zone, but growers limited to industrial, agricultural or unzoned areas	Municipalities may not limit caregiver operations to residential districts as a "home occupation" <i>Deruiter v Byron Twp.</i> (July 2018) and <i>Ypsilanti Twp. v. Pontius</i> (Oct. 2018)	Municipal regulation limited to: (a) reasonable sign restrictions; (b) time, place and manner of operation of marihuana establishments and the production, manufacture, sale and display of marihuana accessories; and (c) authorizing sale of marihuana for consumption in designated areas or at special events
License eligibility			
Elected officials and governmental employees	Not eligible		Not addressed
Felony or controlled substance felony within past 10 years or misdemeanor conviction for controlled substance violation or dishonesty theft or fraud within past five years	Not eligible		A prior conviction for a marihuana-related offense does not disqualify an individual unless offense involved distribution of a controlled substance to a minor
Taxation	3 percent on gross retail receipts of provisioning centers		10 percent on sales price for marihuana sold or transferred by marihuana retailers and micro businesses

\*Under § 8 of the MMMA a patient and patient's caregiver may also collectively possess a quantity of marihuana that is not more than reasonably necessary to ensure an uninterrupted availability of marihuana for the purpose of treatment.

There also appears to be some inconsistency within the MRTMA itself. Section 6.1 permits a municipality to "completely prohibit or limit the number of (recreational) marihuana establishments within its boundaries." However, §6.5 provides that a municipality may not prohibit a recreational marihuana grower, processor, and retailer from: 1) operating within a single facility; or 2) "*operating at a location shared with a marihuana facility operating pursuant to the (MMFLA).*" (Emphasis supplied) The italicized phrase has been interpreted by some marihuana advocates as precluding a community that opted in to the MMFLA from opting out of the MRTMA since to do so would prevent recreational establishments from co-locating in a medical marihuana facility, which is prohibited. However, this argument overlooks the clear grant of authority at §6.1 permitting a municipality by either legislative action or initiative ballot from completely prohibiting recreational marihuana establishments. The real concern with §6 is for those communities that permit both recreational and medical marihuana businesses. The plain language at §6.5 seemingly permits the more intensive grower (which under the MMFLA is restricted to industrial, agricultural or unzoned areas) and processing operations to share a location with marihuana businesses more conducive to being located in commercial or office zoning districts. A legislative fix may be needed to clarify that only analogous medical and recreational marihuana businesses can be co-located.

## What may a municipality do?

Unlike the MMFLA, where municipalities must "opt in," under the MRTMA, a municipality must "opt out." The proposed statute permits a municipality to "completely prohibit" or "limit the number of marihuana establishments." Given the language used in Section 6 of the MRTMA, a municipality should not rely upon prior ordinances or resolutions adopted in response to the MMFLA, but should affirmatively opt out of the MRTMA or limit the number of marihuana establishments by ordinance, not by resolution. Further, petitions containing the signatures of qualified electors of the municipality in an amount greater than five percent of votes cast for governor in the most recent gubernatorial election, may initiate an ordinance to completely prohibit or provide for the number of marihuana establishments within the municipality.

The initiative language in the MRTMA is problematic. Given the wording, it cannot be assumed that voters can initiate an ordinance to "opt in" should the local governing body choose to exempt the municipality from the Act. Rather, the initiative options are either to "completely prohibit" or "limit the number" of marihuana establishments. It is an open question whether the initiative authority to provide for the number of establishments could be an avenue for voters to override the local governing body's action to "opt out" of the statute. Additionally, the vague wording of the statute leaves it open to question as to whether an initiative providing for the number of marihuana establishments must (or should) set forth proposed numbers or limits for each separate type of marihuana establishment or whether the limit on establishments is collective in nature. Logic would favor the former, but the statute is not precise.

Not opting out of the recreational marihuana statute will impact existing medical marihuana facilities in a municipality because for the first 24 months of the Act, only persons holding a MMFLA license (in any community where such is permitted) may apply for a recreational retailer, class B or C grower, or secure transporter license under the MRTMA unless after the first 12 months of accepting applications LARA determines that additional recreational marihuana establishment licenses are needed. MRTMA §9.6.

A municipality choosing not to opt out of the MRTMA may adopt certain other ordinances addressing recreational marihuana and recreational marihuana establishments provided that they “are not unreasonably impractical” and do not conflict with the Act or any rule promulgated pursuant to the Act. The statutory definition of the redundant term “unreasonably impracticable,” found at Section 3(u), almost begs to be litigated. As defined by the initiated statute, the term means:

“that the measures necessary to comply with the rules or ordinances adopted pursuant to this act subject licensees to unreasonable risk or require such a high investment of money, time, or any other resource or asset that a reasonably prudent business person would not operate the marihuana establishment.”

Unfortunately, given that the possession, cultivation, processing, and sale of marihuana remains a crime under federal law, how does one assess an “unreasonable risk” or determine what constitutes such a high investment of time or money so as to deter a reasonably prudent business person from going forward? Further, does this definition remove the judicial deference and presumption of reasonableness that accompanies ordinances? The term “unreasonably impractical” was taken directly from Colorado law, and as of this writing, it does not appear to have been construed by an appellate court in that State. As an aside, would “reasonably impracticable” regulations be acceptable?

Specifically, an ordinance may establish reasonable restrictions on public signs related to marihuana establishments; regulate the time, place, and manner of operation of marihuana establishments, as well as the production, manufacture, sale, or display of marihuana accessories; and, authorize the sale of marihuana for consumption in designated areas that are not accessible to persons under 21 years of age or special events in limited areas and for a limited time. A violation of ordinances regulating marihuana establishments is limited to a civil fine of not more than \$500. MRTMA § 6.2.

However, some of these regulatory authorizations are problematic. For instance, the ability to establish reasonable restrictions on public signs related to recreational marihuana, being content-based, likely runs afoul of the holding in *Reed v. Town of Gilbert*, 135 S.Ct. 2218 (2015). Further, the MRTMA does not, unlike the MMFLA, specifically authorize a municipality to exercise its zoning powers to

regulate the location of marihuana establishments. Rather, the MRTMA authorizes ordinances that “regulate the time, place, and manner of operation of marihuana establishments.”

The use of the time, place, and manner First Amendment test on the ability of government to regulate speech is ill-suited and inappropriate to the licensure and regulation of local businesses. One cannot help but believe that the choice of the time, place, and manner language was an intentional effort so as to permit marihuana establishments to heavily borrow from established legal precedent that largely circumscribes the ability of governmental authorities to restrict speech. Specifically, valid time, place, and manner type of restrictions must:

1. be content neutral;
2. be narrowly tailored to serve a significant governmental interest; and
3. leave open ample alternative channels for communication.

*Ward v. Rock Against Racism*, 491 U.S. 781, 791 (1989) citing *Clark v. Community for Creative Non-Violence*, 468 U.S. 288, 293 (1984)

The above formulation is not consistent with Michigan zoning law doctrine, which, although subject to the due process and equal protection guarantees of the Fourteenth Amendment, generally requires that there be a reasonable governmental interest being advanced by the regulation. See *Charter Township of Delta v. Dinolfo*, 419 Mich 253, 268 (1984). To this end, the only clear reference to the zoning power in the MRTMA is the grant to municipalities to reduce the separation distance between marihuana establishments and pre-existing public and private schools providing K-12 education from 1000’ to a lesser distance.

A municipality’s ability to authorize designated areas and special events for the consumption marihuana holds the potential to give rise to specialty businesses such as in California where restaurants make marihuana-infused food and drinks available to diners.

Section 6.5 of the MRTMA specifically precludes a municipality from prohibiting the transportation of marihuana through the municipality, even though it has otherwise opted out.



If a municipality limits the number of establishments that may be licensed, and such limitation prevents LARA from issuing a state license to all applicants who otherwise meet the requirements for the issuance of a license, the MRTMA provides that “the municipality shall decide among the competing applications by competitive process intended to select applicants who are best suited to operate in compliance with the act within the municipality.” MRTMA § 9.4. This provision presents the Pandora’s Box which confronted municipalities that attempted to cap the number of licenses issued under the MMFLA. Any competitive process that seeks to determine who is “best suited” inherently has a subjective component that may expose the municipality to legal challenges based on alleged due process violations by the municipality from unsuccessful applicants asserting that the process employed was unfair on its face or unfairly administered. While there may be good reasons to limit the number of recreational marijuana establishments, any community that chooses to do so should be prepared to defend itself from challenges by unsuccessful applicants.

A municipality may adopt an ordinance requiring that marijuana establishments located within its boundaries obtain a municipally-issued marijuana establishment license; but, the annual fee for such a license is limited to \$5,000 and any qualifications for licensure may not conflict with the MRTMA or rules promulgated by LARA pursuant to the Act.

## What limitations on the State are applicable to municipalities?

According to the statute, a State rule may not be unreasonably impracticable, or limit the number of any of the various types of license that may be granted, or require a customer to provide a retailer with identifying information other than to determine a customer’s age or acquire personal information other than that typically required in a retail transaction or preclude the co-location of a marijuana establishment with a licensed medical facility. MRTMA §8.3.

The State is required to issue a license under the Act if the municipality does not notify LARA that the proposed establishment is not in compliance with a local ordinance and if the proposed location is not within an area “zoned exclusively for residential use and not within 1000 feet of a pre-existing public or private school providing K-12 education.” A municipality is authorized to reduce the 1000’ separation from a school requirement. MRTMA §9.3.

Additionally, the grounds for disqualifying a license applicant based on a prior controlled substance conviction is much reduced under the MRTMA than under the MMFLA. An applicant for a medical marijuana facilities license is disqualified if they have any of the following:

- a felony conviction or release from incarceration for a felony within the past 10 years;
- a controlled substance-related felony conviction within the past 10 years; or
- a misdemeanor conviction involving a controlled substance, theft, dishonesty, or fraud within the past five years.

In contrast, under the MRTMA any prior conviction solely for a marijuana offense does not disqualify or affect eligibility for licensure unless the offense involved distribution to a minor. Thus, persons convicted of trafficking in large amounts of marijuana would be eligible for a municipal marijuana establishment license. MRTMA §8.1(c).

Additionally, LARA is precluded from issuing a rule and municipalities may not adopt an ordinance requiring a customer to provide a marijuana retailer with any information other than identification to determine the customer’s age. MRTMA §8.3(b). In this regard, the MRTMA provides an affirmative defense to marijuana retailers who sell or otherwise transfer marijuana to a person under 21 years of age if the retailer reasonably verified that the recipient appeared to be 21 years of age or older by means of government issued photographic identification containing a date of birth. MRTMA §10.2.

There are also limitations on holding ownership interests in different types of facilities. Owners of a safety compliance facility or secure transporter may not hold an ownership interest in a grower, or processor, or retailer, or microbusiness establishment. The owner of a microbusiness may not hold an interest in a grower, or processor, or retailer, safety compliance, or secure transporter



establishment. And a person may not hold an interest in more than five marihuana growers or more than one microbusiness, unless after January 1, 2023 LARA issues a rule permitting otherwise. MRTMA §9.3.

Finally, for the first 24 months after LARA begins accepting applications for licensure, only persons who are residents of Michigan may apply for a Class A grower or microbusiness license and to be eligible for all other licenses, persons must hold a State operating license pursuant to the MMFLA. MRTMA §9.6.

## What if the State fails to act in a timely fashion?

If the State does not timely promulgate rules (despite the Act not providing when those must be issued) or accept or process applications within 12 months after the effective date of the Act, an applicant may submit an application for a recreational marihuana establishment directly to the municipality where the business will be located. MRTMA §16. A municipality must issue a license to the applicant within 90 days after receipt of the application unless the municipality determines that the applicant is not in compliance with an ordinance or rule adopted pursuant to the Act. If a municipality issues a license, it must notify the department that the license has been issued. That municipal license will have the same force and effect as a State license but the holder will not be subject to regulation or enforcement by the State during the municipal license term. It is unclear whether, if the State puts in place a licensing system during the term of a municipal license, the establishment can be required to seek State licensure or is merely required to renew the license with the municipality.

## Municipality as an employer or landlord

The MRTMA does not require that an employer permit or accommodate conduct otherwise allowed by the Act in the workplace or on the employer's property. The Act does not prohibit an employer from disciplining an employee for violation of a workplace drug policy or for working while under the influence of marihuana. Nor does the Act prevent an employer from refusing to hire a person because of that person's violation of a workplace drug policy. MRTMA §4.3. In this regard, the statute appears to codify the holding of *Casias v. Wal-Mart Stores, Inc.*, 764 F Supp 2d 914 (WD Mich 2011) *aff'd*, 695 F3d 428 (6th Cir 2012) permitting a private employer to discharge an employee who as a registered patient under the MMMA used marihuana outside of work hours, was not under the influence while at work, but tested positive after suffering an injury while at work. However, note should be taken that in *Braska v. Challenge Manufacturing Co.*, 307 Mich App 340; 861 NW2d 289 (2014) the Court determined that under the terms of the MMMA, employees discharged from employment solely on the basis of positive drug tests for marihuana were not disqualified from receiving unemployment benefits.

In the event that a municipality has created a housing commission, or otherwise provides housing or otherwise leases property and therefore acts as a landlord, the MRTMA permits the lessor of property to prohibit or otherwise regulate the consumption, cultivation, distribution, processing, sale, or display of marihuana and marihuana accessories on leased property, except that a lease agreement may not prohibit a tenant from lawfully possessing and consuming marihuana by means other than smoking. MRTMA §4.4.



# Municipal share of Marihuana Excise Tax Fund

Under the terms of the MMFLA, municipalities (cities, villages, and townships) in which a medical marihuana facility is located get a *pro rata* share of 25 percent of a medical marihuana excise fund created by the imposition of a 3 percent tax on gross retail sales at provisioning centers. However, under the terms of the MMFLA, if a law authorizing the recreational or nonmedical use of marihuana is enacted, the tax on medical marihuana sales sunsets 90 days following the effective date of the new law. MCL 333.27601. Thus by early March 2019, the excise tax just beginning to be collected by provisioning centers under the MMFLA will be repealed.

The MRTMA seeks to fill the gap created by the loss of the 3 percent excise tax under the MMFLA by creating marihuana regulation fund through the imposition of a 10 percent excise tax (which would be in addition to the 6 percent sales tax) on the sales price of marihuana sold or otherwise transferred by a marihuana retailer or microbusiness to anyone other than another marihuana establishment. However, the sale to be allocated to municipalities is reduced to 15 percent and before any money is provided to cities, villages, and townships in which a marihuana retail store or microbusiness is located, the State is made whole for its implementation, administration, and enforcement of the Act—and until 2022 or for at least two years, \$20 million from the fund must be annually provided to one or more clinical trials approved by the FDA that are researching the efficacy of marihuana in the treatment of U.S. armed services veterans and preventing veteran suicide. MRTMA §14.

The net effect for municipalities could result in more money under the MRTMA than under the MMFLA. This is because: a) the tax rate levied is over three times higher under the MRTMA (10 percent v. 3 percent); b) there is a larger pool of potential consumers (registered patients and caregivers v. all persons aged 21 and older); and c) the allocation to municipalities under the MRTMA is based on the number of marihuana retail stores and micro businesses as opposed to all types of marihuana facilities under the MMFLA. However, if a municipality does not permit recreational

marihuana retail establishments, it will not receive any revenue under the MRTMA, but will still have to deal with the social consequences of marihuana use.

The following table illustrates the differences between the two statutory approaches based on assumption of \$1 billion in annual gross sales, State regulatory expenses being recouped by applicable fees, and a municipality having one percent of the total number of medical marihuana facilities or recreational retail businesses.

	MMFLA	MRTMA
Annual Gross Retail Sales	\$1,000,000,000	\$1,000,000,000
Applicable Excise Tax Rate	3 percent	10 percent
Amount of Excise Tax Fund	\$30,000,000	\$100,000,000
Less Allocation for Veterans' Health Research until 2022	<div> <div>0</div> <div>\$30,000,000</div> </div>	<div> <div>-\$20,000,000</div> <div>\$80,000,000</div> </div>
Percentage Allocated to Municipalities	25 percent	15 percent
Amount Available for Municipalities	\$7,500,000	\$12,000,000
1 percent of facilities or retail establishments in municipality	\$75,000	\$120,000

Seemingly to convince voters to approve the MRTMA, 35 percent of the marihuana regulation fund will be allocated to the school aid fund for K-12 education and another 35 percent to the Michigan transportation fund for the repair and maintenance of roads and bridges. Unlike the MMFLA, which allocated 15 percent split equally (5 percent each) between county sheriffs where a marihuana facility was located, the Commission on Law Enforcement Standards for Officer Training, and to the State Police, there is no allocation directly to law enforcement purposes under the MRTMA.

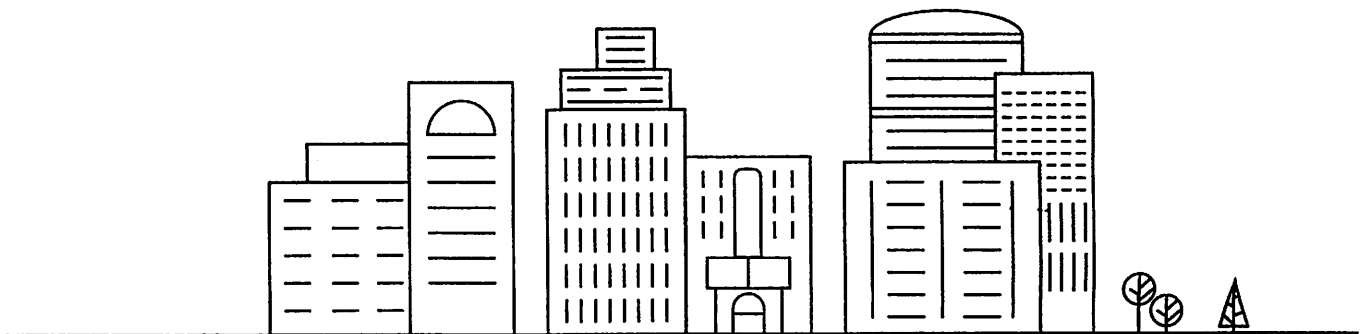
# Conclusion

As challenging as it was for municipalities to come to grips with medical marihuana regulation under the MMFLA, the difficulties posed by the proposed MRTMA regarding recreational marihuana are likely to be significantly greater. Under the MMFLA, many municipalities took a “wait and see” position on the issue of broad commercialization of medical marihuana, which only required that the governing body of the municipality do nothing. And for those municipalities that chose to “opt in,” the MMFLA granted them a great deal of regulatory discretion, which some representatives of the marihuana industry have called “onerous” [Langwith, “Local Overreach”, 97 Mich B J 36, 37 (August 2018)], so as to reasonably safeguard the public safety, health, and welfare.

The MRTMA on the other hand, requires a municipality to affirmatively take legislative action to “opt out” of regulating recreational marihuana commercial enterprises. For those municipalities that choose to permit recreational marihuana establishments to exist in the community, the regulatory framework is much more circumscribed than under the MMFLA, and is certainly more likely to raise legal issues. Fortunately, commercialization of recreational marihuana is at least a year away, and by that time the State regulatory framework for medical marihuana will have been in place for nearly two years.

Apart from the commercialization of recreational marihuana, municipal law enforcement officials and officers will be required to know the new rules surrounding “legalized” marihuana within days of the election. At a minimum, county and municipal prosecutors should be ready to provide training on the law in early November. It is also likely that defendants who committed marihuana offenses prior to November 6 will seek dismissal of those charges given the approval of the ballot proposal. Several county prosecutors have been reported as being willing to dismiss pending marihuana possession charges issued before the election if the alleged conduct falls within the scope of the initiated law.

In the meantime, municipal attorneys would be well-advised to read through the initiated statute more than once and be prepared to advise their clients of the significant ramifications of legalized marihuana on local governmental and social services.





# Recreational Marihuana Q&A



michigan municipal league

Updated February 5, 2019



<b>MMMA –</b>	Michigan Medical Marihuana Act, patient/caregiver model
<b>MMFLA –</b>	Medical Marihuana Facilities Licensing Act, medical facilities licensed by the State and located in municipalities that opt in
<b>MRTMA –</b>	Michigan Regulation and Taxation of Marihuana Act, recreational (non-medical) marihuana businesses to be licensed by the State and located in municipalities that do not opt out
<b>LARA –</b>	State of Michigan Department of Licensing and Regulatory Affairs, department responsible for rule making and licensing of marihuana

complete prohibition of recreational commercial establishments by voter initiative.

**Q4:** May municipalities opt out of the MRTMA now and opt in later? What about the reverse: opt in now and opt out later?

**A.** Yes, you can opt out now and opt in later. You can change your mind and later revise your ordinance. Opting out after opting in is likely more problematic. The licenses are for one year only, though. A lawfully licensed and established recreational marihuana business which is not in violation of any regulation might argue that it should be permitted to continue to operate as a non-conforming use, or that by prohibiting its continued operation that such amount to a unconstitutional regulatory taking. However, Federal courts would not likely recognize that form of “taking” in the context of marihuana due to it being an unlawful Schedule 1 substance, since one might have a recognizable “reasonable investment backed expectation” by trading in an unlawful substance.

## Opting In/Opting Out

**Q1:** If a municipality chooses to do nothing in response to the new recreational MRTMA law, how will the law affect it?

**A.** If you do nothing, then you are effectively “opting in” to permit recreational marihuana commercial businesses.

**Q2:** What is the timeline for a municipality to opt out?

**A.** Applications for recreational marihuana business licenses will begin to be accepted on December 6, 2019. Under the terms of the MRTMA, LARA has one year from the date of the November 2018 election certification to prepare. However, there is word that Governor Whitmer would like the timing fast-tracked to perhaps as early as June 2019.

**Q3:** How does a municipality opt out?

**A.** Although the statute doesn’t provide language for municipalities opting out, nor how to do it, since ordinances are mentioned in the statute you are likely better protected if you opt out by ordinance rather than resolution. Additionally, the MRTMA permits the

**Q5:** Does a village have to opt out of both the MMFLA and MRTMA, or just recreational? We don't want either.

**A:** The MRTMA requires an opt out. The MMFLA does not—medical marihuana facilities can only locate in your municipality if you opt in.

**Q6:** Our municipality didn't do an ordinance to opt out but instead recently passed a Resolution setting a “moratorium” on recreational marihuana businesses in our community until December 31, 2019. We wanted time to do more research, let State of Michigan establish rules, regs, etc. Are we vulnerable to allowing marihuana businesses to come in since we didn't opt out?

**A.** While moratoria are generally not favored by courts, they are not unlawful either. It is recommended that a moratorium not last any longer than one year, and a six-month term, even if extended by another 6-month term is likely preferred, so long as the community is actively working on defining the issues and working on options as to how to best address the issues.

**Q7:** Can municipalities decide to allow only microbusinesses?



A. The statute isn't clear on this, but we think the answer may be a "qualified yes" since the language of the MRTMA permits a municipality to "provide for the number of marihuana establishments." Ostensibly, a community could solely provide for a certain number or perhaps an unlimited number of micro businesses but provide that no other types of recreational marihuana establishment be permitted. However, given the less than certain and vague language of the statute, final guidance will likely come from the courts or clarifying legislation.

Q8. Does "prohibit" mean all, or can the municipality pick and choose the businesses and only choose some?

A: The statute is less than clear on whether municipalities can pick and choose which type of establishments they will allow. However, there is an argument for doing so. If deciding to take this type of course of action, consult with your municipal attorney for guidance.

Q9: If a township opts out, does that mean a village within that township has opted out—and the inverse as well? If township opts in is the village allowed to opt out?

A: The statute doesn't mention counties—just cities, villages, and townships. Villages are governmental entities and pass their own ordinances separate from townships.

Q10. Does the 150-plant limitation for micro business mean 150 growing plants in addition to additional plants drying?

A. No. "Cultivate" means "to propagate, breed, grow, harvest, dry, cure, or separate parts of the marihuana plant by manual or mechanical means" under the MRTMA. Since cultivation includes both growing and drying, the 150-plant limitation at any one time would include both operations.

Q11. Does a general law village need to hold public hearings on MRTMA?

A. Our zoning person thinks it's a police action, and doesn't need a hearing. Licensing is the exercise of the police power; determining where a particular business may locate is a zoning issue subject the process set forth in the Michigan Zoning Enabling Act.

## Interaction with other Marihuana Statutes – MMMA and MMFLA

Q12: Can a caregiver grow recreational marijuana for his own use?

A: Probably, yes. Being a registered caregiver does not preclude one from growing recreational marihuana for yourself. There's an argument for growing 24 plants on the premises—12 plants could be grown for medical, and 12 plants for recreational.

Q13. Where do caretakers fall? Can they sell directly to consumers?

A. Under the MMMA, the patient/caregiver act, caregivers can be compensated for the costs associated with assisting their patients in the use of medical marihuana. Under the MMFLA, provisioning centers may only sell to registered caregivers and patients. Under the MRTMA, only a micro business or a marihuana retailer may sell marihuana; individuals cannot sell recreational marihuana—it can only be "gifted," so long as the transfer is not advertised or promoted to the public.

Q14. What impact would opting out of medical marijuana have on caregivers using their homes for their businesses?

A. The MRTMA will not affect the MMMA. The patient/caregiver model will continue, the same as it was before the recreational proposal was passed. However, note should be taken that the Michigan court of Appeals has ruled that municipalities may not limit caregivers to being a "home occupation" under local zoning ordinances.

Q15. If a municipality opted in to MMFLA can it keep out recreational marihuana retailing centers?

A. This is not clear in the statute. There are two schools of thought. One approach argues that given the language in the MRTMA permitting municipalities to completely prohibit recreational marihuana establishments, that even though a community has opted to permit medical marihuana facilities, it need not permit recreational marihuana businesses. The



other approach argues that since the MRTMA prohibits a municipality from adopting an ordinance which prohibits a grower, processor or retailer from operating at a location shared with a facility operating pursuant to a MMFLA license, means that a community opting in to permit medical marihuana facilities may not prohibit recreational growers, processor or retailers. The final answer will likely come from the courts. Again, consult with your municipal attorney.

Q16: Could a municipality opt in to medical establishments, but out of recreational? If so, can this be in the same ordinance, or would it have to be in two separate ordinances?

A: See the answer to the question above, but arguably a community can say yes to opt in to medical and no to recreational. Two separate ordinances would seem to be a better approach, but there is nothing that legally requires it, so it might be done with a single ordinance.

Q17: If a business has been licensed as a medical facility, must it also be licensed as a recreational facility if it applies?

A: The business would have to separately qualify for a recreational license. For the first 24 months after the State begins to accept applications, applicants for a recreational retailer, process, class B or C grower, or transporter must be licensed under the MMFLA to engage in the medical marihuana business. For the first 24 months, LARA will only accept applications from Michigan residents for licensure as a class A grower or a microbusiness. However, after one year, LARA may accept applications from anyone, if it determines that additional licenses are needed to minimize the illegal marihuana market, to efficiently meet the demand for marihuana or to provide reasonable access to marihuana in rural areas of the State.

Q18: Has the \$5,000 municipal licensing fee (under the MMFLA) been challenged (if municipality is not even doing fire inspections, etc.)?

A: You must be able to demonstrate that the cost of enforcement and administering of the law is costing the local government approximately \$5,000. If those costs are substantially less than \$5000, the fee needs to be reduced to reflect the actual cost of those services.

\* Kalamazoo requires an upfront application fee for its medical marihuana licenses but refunds a portion of the application fee for those who didn't get a license.

## Licensing

Q19: When will LARA start issuing licenses?

A: Under the MRTMA, LARA has one year from the law's effective date of December 6, 2018 to put its regulatory framework in place and begin to accept applications. But indications are that Governor Whitmer would like LARA to start accepting applications as early as the summer of 2019. If the State isn't ready by December 2019, then municipalities are on the front line—businesses can come to your community and ask for a license. Your municipality becomes the regulatory agency for a year, not the State.

Q20: Can municipalities license and regulate businesses ahead of the State?

A: Only in the circumstances where the State does not begin accepting applications in December 2019. Otherwise the MRTMA says that a business needs a State license first. Once get State license then can get municipal license (if municipality wants to license, don't have to). It is ill-advised to regulate before a State license is issued. Municipalities will be the regulatory agency IF, after one year, the State hasn't put in a regulatory framework.

Q21: What are the pros and cons of a municipality deciding to license marihuana?

A: LARA will come up with rules but will not decide anything about zoning (where businesses can be located) and hours of operation, for instance. So, zoning needs to be addressed at the local level, regardless. Licensing at the local level may permit greater ability to inspect and monitor recreational marihuana businesses, but the ability for law enforcement inspections under the MRTMA is not as broad as under the MMFLA. Additionally, if the municipality seeks to limit the number of licensed recreational marihuana establishments, it must employ a "competitive process intended to select applicants who are best suited to operate in compliance with (the MRTMA) within the municipality." Unfortunately, the statute provides no other guidance as to what that process should look like so as to provide a safe harbor; as a result, this may



put municipalities at risk of lawsuits from applicants who do not receive a license.

Q22: Will LARA regulate how many licenses in one municipality, such as liquor licenses?

A: No.

Q23: Will a village with 10 empty buildings be forced to potentially allow 10 if they allow one?

A: It depends on whether the village chooses to limit the number of establishments and how its zoning ordinance is written regarding the applicable zones where the various types of marihuana establishment are permitted to operate, along with separation distances from schools and residential zones.

Q24: Can you charge an application fee along with the annual license—for example, a \$2,500 application fee? This is done in Colorado with many communities.

A: The statute is silent on this. The \$5,000 fee set forth in the MRTMA is for administration (and enforcement) costs—seems like processing an application would be included in this fee. Also, keep in mind that an administrative fee must approximate the actual cost of providing the service; otherwise it is an unlawful tax. It is also not a good idea to follow another state's process since the underlying statutory authority is likely to be different from that in the Michigan law.

Q25: Are the licensing restrictions applicable for the first 24 months after the effective date of the Act, or first 24 months after LARA's rules and regulations are released?

A: 24 months from effective the date of Act (December 6, 2019,)

Q26: If a municipality does have a license fee of up to \$5,000, what types of expenses CAN it go toward for enforcement? (Since the new law doesn't allow for inspections like officers do routinely for liquor).

A: Anything your municipal clerk, law enforcement agency, or inspections staff does to review the application, the applicant, or proposed site of the business. Then once the business is established, if you can demonstrate that these businesses generate complaints or more calls for services so as to

demonstrate the need for increased resources, then those costs ought to be included as well so as to demonstrate the need to charge up to \$5,000 as a fee.

Q27: It seems this will cost villages a bit to get their lawyer/zoning official up to speed on this. Couldn't an argument be made that the \$5,000 is used to help recoup upfront costs?

A: Probably. Legal services associated with administration and enforcement would be part of a legitimate argument to support the amount of the fee.

## Effects of Opting In

Q28: If a municipality opts in is it required to have 24-7 police support?

A: No. Police support is not required by this new Act.

Q29: If a municipality opts in, how will that effect eligibility for federal/State grants? If a municipality is getting federal grant money, won't the federal government deny it because you allow recreational marijuana?

A: You will have to look at the language of the grants—for instance, is there language on maintaining a drug free work place or anything like that. Certain municipal employees who are federally-grant funded, could be made subject to a zero-tolerance drug policy. Otherwise you are probably OK. If the grant language poses a problem, municipality might consider whether the federal government is co-opting local and State government to carry out federal drug policy? Several communities have successfully challenged law enforcement grants that require compliance with federal immigration law by the local municipality. The issue is currently in litigation in several federal courts.

Q30: May the municipality increase the distance from preexisting schools to further than 1,000 feet?

A: 1,000 feet is the limitation set forth in the MRTMA You would likely get challenged if you increased the distance. 1,000 feet is a standard under both Michigan and federal Drug-Free School Zone laws. It should be noted that the MRTMA permits a municipality to reduce the distance requirement.

## Miscellaneous

Q.31: What can a city do if a citizen calls and says his neighbor is selling marihuana out of his home?

A. Not much. This would be very hard to prove. Marihuana has been decriminalized—now a civil infraction.

Q.32: Can home growers sell their marihuana?

A. No, the recreational statute says that it may be “gifted,” but not sold. Caregivers, under the MMMA, can get paid as recompense for the cost of providing the service/product.

Q.33: Since people can’t “sell” recreational marihuana, can they sell other things, such as t-shirts or \$75 and give a “gift” baggie of marihuana as a thank-you, like we’ve seen in other States?

A. A real possibility. That is already happening in Michigan—there is a company that is selling and delivering chocolate and the driver is giving away free pot to those that purchase chocolate. This practice will likely be challenged. It will be up for the courts to decide.

Q.34: Can you clarify if it is 12 plants per person per household or 12 plants per household?

A. 12 Plants per person over 21 in the household. That said, there may be argument to assert that it is a 12 plant per premises limit. The MRTMA at § 5.1 (b) says “provided that not more than 12 marihuana plants are possessed, cultivated, or processed on the premises at once,” leading to the assertion of a 12 plant per premises limit. However, the introductory language to §5.1 says “the following acts by a person 21 years of age or older are not unlawful”, and then subsection (b), begins with the phrase “within the person’s residence” before stating the 12-plant limit. Like other issues with the MRTMA, this issue of the proper interpretation of the language in question will likely be decided by the courts

Q.35: Can municipalities pass odor control ordinances?

A. This will depend on whether and to what extent LARA addresses the issue. Any local regulation may not be inconsistent with State administrative rules, but a

municipality could adopt a provision to require system to diffuse odors consistent with an applicable State rule or in the absence of a rule, look to see what the Stille DeRosset Construction Code allows you to do.

Q.36: Can tourists come to Michigan and purchase marihuana?

A. As long as they are 21 years of age or older.

Q.37: Can the DDA prohibit Marijuana establishments in the downtown district?

A: It is not likely that a DDA can do that—the municipality has authority for zoning, etc. not the DDA. A DDA is not really empowered regulate businesses. But ask your municipal attorney.

Q.38: How does CBD oil/products fit into all this? Is a store allowed to sell CBD oil if the municipality opts out?

A: CBD oil is considered a form of marihuana under the statute. To sell CBD oil, a business seeming would have to get a recreational marihuana license. However, in the lame duck session of the Legislature, several bills were adopted addressing hemp and hemp products which severely limited or prohibited local regulation. Thus, a definitive answer requires more research.

Q.39: On the subject of the taxes going toward municipalities, schools, etc. with a cash-based business, how can we be sure there is accurate reporting of the sale prices and actual income a business may have? Couldn’t they charge a steep price and only report a lesser price to avoid paying as much tax?

A: LARA (and the Michigan Department of Treasury) will probably address this issue in their rules. Most likely there will be a tracking system to track recreational seed to sale just like medical.

Q.40. Can a city charge a city sales tax on the sale of the recreational marijuana?

A. No. Michigan cities are not authorized to charge sales tax.



Q41: Has there been any input from the Michigan Building Codes Commissioner as far as ventilation requirements for odors, fire suppression requirements due to flammability concerns...can a municipality restrict an establishment based on building code issues?

A: LARA has addressed some of that in the rules for medical marihuana, so we expect similar standards will be applicable to recreational. As a municipality, you cannot be stricter than LARA rules.

Q42: It is my understanding that municipal governments cannot limit marijuana related accessory business? i.e.: hydroponic stores, smoking supplies.

A: Pipes and bongs can be used for tobacco and pipe tobacco—not specifically for marihuana. Soil and fertilizer aren't just for marihuana. The definition of "marihuana accessories" in the MRTMA states that the equipment, product, or material must be "specifically-designed" for marihuana. This language makes it very difficult for a municipality to somehow regulate or say someone violated a law because they are trading in marihuana accessories. It would have to be shown that it is exclusively designed for marihuana.

Q43: How effective is the testing of under the influence of marijuana in a motor vehicle?

A: This area is still under development. Tests can show if an individual has used marihuana, not necessarily that he or she is presently under the influence.

Q44: If a car is pulled over for speeding and the police find marihuana, what happens to the marihuana?

A: If possible, the driver can a) turn it over to person who is 21 years of age or older; or b) secure it in the motor vehicle. If those options are not available, and it is confiscated by police officers a municipality should consider requiring the individual to seek a court order for its return. Under the federal Controlled Substances Act, there is a law enforcement exception, but it is an open question whether returning marihuana in this circumstance falls within the exception. California courts say it does, while Colorado courts say that it doesn't. This issue will likely have to be decided by Michigan courts.

Q45: Are hemp products now legal in Michigan?

A: It appears so given that several pieces of recently adopted legislation addressed and legalized industrial hemp in Michigan. Consult with your municipal attorney to see how these new laws might impact your community.

Q46: Can a community pass an ordinance that the city is the only entity allowed to sell retail marijuana? A community in Oregon has done this.

A: Interesting question. More research is necessary to provide an answer.

Q47: Do you agree that a city-owned campground can prohibit recreational marijuana use inside their mobile homes?

A: The MRTMA permits a landlord to prohibit or regulate the consumption and cultivation of marihuana on rented premises, but a landlord may not prohibit a tenant from lawfully possessing or consuming marihuana other than smoking.



**BOARD:** City Council

**MEETING DATE:** April 15, 2019

**DATE PREPARED:** April 11, 2019

**AGENDA SUBJECT:** Tree-Planting Contract

**RECOMMENDATION:** That the City Council authorize contracting with David Hoffman Landscaping and Nursery, Inc., Petoskey

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**Background** The City's 2019 Annual Budget again included monies for planting of trees and shrubs within street green lawns and public spaces as new or replacement trees. This tree planting initiative is part of the City's overall Forestry Program that includes trimming, maintenance and tree and stump removal of City owned trees.

**Extended Maintenance and Warranty** Tree contractors are furnished with tree water collection rings that are to be placed under each tree. Home owners are to be contacted and asked to fill once per week. Tree contractors are also required to water trees and provide an 18-month extended replacement warranty. The intent of this warranty extension is to encourage tree contractors to better water and fertilize trees to insure survivability.

**Procedure** Specifications were prepared based upon various state and national tree planting standards which include planting directives, maintenance requirements and defined tree warranty replacement periods. Contractors were asked to provide unit pricing on seven tree species/varieties of varying quantities totaling 55 trees. Contractors were also required to provide hourly pricing on equipment and labor, and unit prices for seed, mulch, sod and topsoil replacement, should these services be needed.

**Bid** The Tree Planting Program proposed for 2019 was formally advertised in the Petoskey News Review February 25, 2019; three firms were sent invitations to bid; and two complete bid proposals were received. Bids were received and opened on Tuesday, March 19, 2019.

<u>Bidder</u>	<u>Total</u>
David Hoffman Landscaping and Nursery, Inc. Petoskey	\$22,165
Robinson's Landscape Boyne City	\$22,400

**Review & Recommendation** City staff, upon review, recommends to City Council that David Hoffman Landscaping and Nursery, Inc., Petoskey, the successful low bidder, be considered for award of the contract in the amount of \$22,165. Therefore, the City Manager will ask that a contract be offered to this firm, with the ability to extend or adjust the contract by the unit prices bid.

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**BOARD:** City Council

**MEETING DATE:** April 15, 2019

**PREPARED:** April 11, 2019

**AGENDA SUBJECT:** Consideration to Approve a Resolution Authorizing a Closed Session Pursuant to Section 8(c) of the Michigan Open Meetings Act

**RECOMMENDATION:** That the City Council adopt this proposed resolution

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City Council will be asked to adopt the enclosed proposed resolution that would authorize to recess to a closed session pursuant to Section 8(c) of the Michigan Open Meetings Act, to consider strategy and negotiations of a collective bargaining agreement.

sb  
Enclosure





WHEREAS, the City Manager has requested that the City Council recess to a closed session, pursuant to Section 8(c) of the Michigan Open Meetings Act, to consider strategy and negotiations of a collective bargaining agreement, following the conclusion of routine business at the City Council's regular meeting of April 15, 2019:

NOW, THEREFORE, BE IT RESOLVED that the City Council does and hereby authorizes to recess to a closed session, to consider negotiations of a collective bargaining agreement.