



**CITY COMMISSION
MEETING
July 7, 2014**



PRE-MEETING AGENDA

**ADRIAN CITY COMMISSION
AGENDA
PRE-MEETING STUDY SESSION
MONDAY,
JULY 7, 2014**

The City Commission will meet for a pre-meeting study session on Monday, July 7, 2014 at 6:00 p.m. at the City Chambers at 159 East Maumee Street, Adrian, Michigan.

1. Presentation by OOPGO, Inc, regarding the new City website.
2. Discussion of the Road Millage Renewal and Town Hall Meeting presentations to address this.
3. Other items as time permits.



COMMISSION AGENDA

**AGENDA
ADRIAN CITY COMMISSION
JULY 7, 2014
7:00PM**

- I. PRAYER AND PLEDGE OF ALLEGIANCE TO THE FLAG
- II. ROLL CALL
- III. APPROVAL OF THE MINUTES OF THE JUNE 16, 2014 REGULAR MEETING OF THE ADRIAN CITY COMMISSION.
- IV. APPROVAL OF THE MINUTES OF THE JUNE 16, 2014 SPECIAL MEETING OF THE ADRIAN CITY COMMISSION.
- V. APPROVAL OF THE MINUTES OF THE JUNE 30, 2014 SPECIAL MEETING OF THE ADRIAN CITY COMMISSION.
- VI. PRESENTATION OF ACCOUNTS
- VII. CONSENT AGENDA
 - 1. **CR14-055. City Clerk.** Resolution to reappoint Margaret Noe to the Election Commission for a period of 1 year.
 - 2. **CR14-056. City Clerk.** Resolution to reappoint Jane Castle to the Election Commission for a period of 1 year.
 - 3. **CR14-057. City Clerk.** Resolution to reappoint Waneta Raloff to the Election Commission for a period of 1 year.
 - 4. **CR14-058. Engineering Department.** Resolution to set a public hearing for the establishment of a Special Assessment District (SAD #388) for improvements to Ballenberger Rd. between Riverside Ave. and Sawmill Court.
- VIII. REGULAR AGENDA
 - RESOLUTIONS
 - 1. **R14-072. City Commission.** Resolution to approve or deny an application to close a street or parking lot for Mandy's Uptown Bar and Grill from Saturday, July 26, 2014 at 9:00am to Sunday, July 27, 2014 at 3:30am.
 - 2. **R14-073. Community Development.** Resolution to authorize expenditure of DDA undesignated Fund Balance to purchase 133 Marketplace, Adrian, Michigan.
 - 3. **R14-074. City Commission.** Resolution to approve the employment agreement between City Administrator Shane A. Horn and the City of Adrian and authorize the Mayor and City Clerk to execute said contract on behalf of the City of Adrian.

4. **R14-075. Engineering Department.** Resolution to award the bid for the Church Street Parking Lot Lighting to Brint Electric Inc.
5. **R14-076. Engineering Department.** Resolution to award the bid for concrete and paving of the Church Street Parking Lot to Gerken Paving of Napoleon, Ohio.
6. **R14-077. Utilities Department.** Resolution to authorize the purchase and installation of Water Meters to Michigan Meter of Madison Heights, Michigan.
7. **R14-078. Administration.** Resolution to authorize a 1% Cost of Living pay increase to non-union employees, regular part-time employees, employees represented by POAM, employees represented by the Local 1511 of the IAFF and employees represented by TPOAM.
8. **R14-079. Administration.** Resolution to authorize to approve a Planned Unit Development (PUD) of Gaslight Village Senior Assisted Living Complex.
9. **R14-080. Community Development.** Resolution of Intent to create and provide for the operation of a joint Local Development Financing Authority with the City of Tecumseh.
10. **R14-081. Community Development.** Resolution to accept a Community Development Block Grant Award (MSC-2013-0486-HO) from Michigan State Housing Development Authority for Rental Rehabilitation projects in Downtown Adrian.
11. **R14-082. City Commission.** Resolution to approve the request for the transfer of a tavern license from Pizza Hut of America, Inc. to Chipotle Mexican Grill of Colorado, LLC as well as the re-classification of that license to a Class C, on premise liquor license.

X. PUBLIC COMMENT

XI. COMMISSIONER COMMENTS



MINUTES

Clerk Pat Baker brought to light an error in the minutes from the regular City Commission meeting of June 2, 2014. Resolution R14-057, a resolution that was presented to consider amendments to the Oil and Gas Royalties Trust, was added on the agenda at the meeting. The resolution that was presented in the minutes from the June 2nd meeting, was an earlier version of the resolution and did not reflect the true intent of the Commission. The following is the correct version of R14-057;

RE: CITY ATTORNEY – Consider amendments to the Oil and Gas Royalties Trust

WHEREAS, the previous City Commission adopted resolution 13-201 on October 7, 2013 approving and accepting a Declaration of Trust For Oil and Gas Royalties; and

WHEREAS, the current City Commission adopted resolution 14-005 authorizing the City Attorney to file an Action for Declaratory Judgment to determine whether this Commission has the ability to alter, amend or terminate the Trust; and

WHEREAS, A Complaint for Declaratory Judgment was filed with the Lenawee County Probate Court on February 19, 2014; and

WHEREAS, a pretrial was conducted in this matter on May 28, 2014 and

WHEREAS the pretrial was adjourned to allow the City Commission to take action to amend the Trust, to allow Defendant time to respond to said action, and to allow the parties to file amended pleadings as needed; and

WHEREAS, the City Commission has considered the Declaration of Trust and has determined that it is in the best interest of the City of Adrian for the City Commission to have the ability to receive distributions from the Trust at its discretion to provide services that it deems necessary; and

WHEREAS, the City Commission believes that the Trust for Oil and Gas Royalties does not expressly provide that the Trust is irrevocable pursuant to MCLA 700.7602 and therefore may be amended by the City;

WHEREAS, the City Commission further believes that the creation of the trust was a legislative action by the previous City Commission that does not bind future City Commissions.

NOW THEREFORE, IT IS HEREBY RESOLVED that the City Commission authorizes and directs the City Attorney to prepare amendments to sections 1.3 and 2.2 of the Trust Agreement as follows:

1.3 Term

The Grantor makes this Trust for a period of 15 years from this date. The duration of the Trust is established to comply with MCLA 129.97. The duration of the Trust may not be amended. The remaining terms of this Trust may be amended by majority vote of the Adrian City Commission. Upon the expiration of the initial 15 year period, the City Commission at that time, by a majority vote, may terminate or extend the Trust.

2.2 Use of Trust Estate

The City Commission may receive distributions from the Trust at its discretion by a majority vote.

NOW THEREFORE IT IS FURTHER RESOLVED that the City Commission authorizes and directs the Mayor and City Clerk to execute said amendments to the Trust Agreement and to deliver the executed document to the Trustee for signature.

Clerk Baker requested that the Commission approve the minutes with the assurance that the correct version of R14-057 would appear in the minutes of the June 16, 2014 meeting.

**MINUTES
ADRIAN CITY COMMISSION
JUNE 16, 2014
7:00 P.M.**

Official proceedings of the June 16, 2014 regular meeting of the City Commission, Adrian, Michigan.

The regular meeting was opened with a moment of prayer led by Pastor Tim Waters and the Pledge of Allegiance to the Flag.

PRESENT: Mayor Berryman and Commissioners Gallatin, Dudas, Faulhaber, Rising, Munson and Berryman Adams.

Mayor Berryman in the Chair.

Commissioner Berryman Adams motioned to approve the minutes from the regular meeting on June 2, 2014 **with the above referenced correction**; seconded by Commissioner Faulhaber, and the minutes were adopted by a unanimous vote.

Commissioner Faulhaber motioned to approve the minutes from the special meeting on June 2, 2014; seconded by Commissioner Gallatin, and the minutes were adopted by a unanimous vote.

PRESENTATION OF ACCOUNTS

Utility Department Receiving Fund Voucher #3961 through #3966	\$205,647.19
General Fund Vouchers #21972 through #21987	\$289,117.63
Clearing Account Vouchers amounting to	<u>\$179,459.40</u>
TOTAL EXPENDITURES	<u>\$674,224.22</u>

On motion by Commissioner Berryman Adams, seconded by Commissioner Dudas, this resolution was adopted by a unanimous vote.

COMMUNICATIONS

C.1 FINANCE. May 2014 Revenue and Expenditure Report.

CONSENT AGENDA

CR14-041

RE: CITY COMMISSION– Resolution to appoint Sara Bingham to the Local Officers Compensation Commission for a Seven (7) year term

WHEREAS, a vacancy exists on the Local Officers Compensation Commission; and

WHEREAS, Sara Bingham has expressed a willingness to continue to serve on the Local Officers Compensation Commission; and

WHEREAS, the Adrian City Commission has given careful consideration to the appointment of the above-named individual.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission does, hereby, approve the appointment of Sara Bingham to the Local Officers Compensation Commission for a seven (7) year term.

CR14-042

RE: CITY COMMISSION– Resolution to reappoint Dr. William DeMots to the Historic District Commission for a Three (3) year term

WHEREAS, the term of Dr. William DeMots on the Historic District Commission is expiring; and

WHEREAS, Dr. William DeMots has expressed a willingness to continue to serve on the Historic District Commission; and

WHEREAS, the Adrian City Commission has given careful consideration to the appointment of the above-named individual.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission does, hereby, approve the appointment of Dr. William DeMots to the Historic District Commission for a three (3) year term.

CR14-043

RE: DEPARTMENT OF FINANCE – Resolution to award the annual bid for Car Washing for the 2014-15 Fiscal Year

WHEREAS, the City of Adrian Purchasing Office, in collaboration with the Department of Public Works, has solicited and received bids on Thursday, May 29, 2014 for Car Washing for FY15-16 with the following results:

<u>Vendor</u>	<u>Location</u>	<u>Amt. per month</u>
Adrian Fabricare	Adrian, MI	\$349.00

WHEREAS, the Assistant Director of Finance and City Administrator recommend the acceptance of Adrian Fabricare bid, at a cost not to exceed \$349.00 per month; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution, hereby authorizes the acceptance of the bid of Adrian Fabricare, Adrian, Michigan, and engagement in the City's Standard Professional Services Contract for execution of the citywide pavement for car washes, at a cost not to exceed \$349.00 per month.

CR14-044

RE: DEPARTMENT OF FINANCE – Resolution to award annual bid for Electrical Work for Fiscal Year 2014-15.

WHEREAS the City of Adrian Purchasing Office, in collaboration with the Department of Public Works, has solicited and received bids on Thursday, May 29, 2014 for Fiscal Year 2015 Electrical Work, with the following results:

BIDDER	AMOUNT	CONDITIONS
Clegg Electric Adrian, MI	\$ 50.00	15% Markup on Parts Response: As needed Hourly rate during normal hours
Masson's Electric Adrian, MI	\$ 40.00	10% Markup on Parts Response: 1 hour during business 2 hours after hours
Adrian Electrical & Generator Adrian, MI	\$45.00	15% Markup on Parts Response: 1 hour

WHEREAS, the Assistant Finance Director and City Administrator recommend the selection of the low bidder Masson's Electric of Adrian, Michigan; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorized the selection of the low bid of Masson's Electric of Adrian, Michigan for the fiscal year 2015 electrical work under the terms and conditions as submitted and as proposed in their sealed bids dated May 13, 2014.

CR14-045

RE: DEPARTMENT OF FINANCE – Resolution to award the annual bid for Janitorial Services for the 2014-15 Fiscal Year

WHEREAS, the City of Adrian Purchasing Office has solicited and received bids on Thursday, May 22, 2014 for the biannual bid for Janitorial Services, with the following results:

	ServiceMaster by the Border Adrian, MI	Top to Bottom Cleaning Tipton, MI	Clean Care Inc. Toledo, OH	Road Runr Maintenance, Inc. Pontiac, MI
City Hall, Year 1	\$29,784.00 (year) \$2,482.00 (month)	\$23,700.00 (year) \$1,975.00 (month)	\$24,192.00 (year) \$2,016.00 (month)	\$27,958.56 (year) \$2,329.88 (month)
Piotter Senior Center, Year 1	\$40,092.00 (year) \$3,341.00 (month)	\$22,800.00 (year) \$1,900.00 (month)	\$23,940.00 (year) \$1,995.00 (month)	\$24,114.48 (year) \$2,009.54 (month)
Adrian Public Library, Year 1	\$26,304.00 (year) \$2,192.00 (month)	\$23,400.00 (year) \$1,950.00 (month)	\$26,976.00 (year) \$2,248.00 (month)	\$27,656.40 (year) \$2,304.70 (month)
Adrian Police Department, Year 1	\$20,208.00 (year) \$1,684.00 (month)	\$14,400.00 (year) \$1,200.00 (month)	\$14,340.00 (year) \$1,195.00 (month)	\$13,634.40 (year) \$1,136.20 (month)
City Chamber Building, Year 1	\$743.00 (year) \$61.92 (month)	\$5,400.00 (year) \$450.00 (month)	\$1,980.00 (year) \$165.00 (month)	\$1,200.00 (year) \$100.00 (month)
TOTALS, YEAR 1	\$117,131.00 (year) \$9,760.92 (month)	\$89,700.00 (year) \$7,475.00 (month)	\$91,428.00 (year) \$7,620.00 (month)	\$94,563.84 (year) \$7,880.32 (month)
City Hall, Year 2	\$30,082.00 (year) \$2,506.83 (month)	\$23,700.00 (year) \$1,975.00 (month)	\$24,540.00 (year) \$2,045.00 (month)	\$27,958.56 (year) \$2,329.88 (month)
Piotter Senior Center, Year 2	\$40,493.00 (year) \$3,374.42 (month)	\$22,800.00 (year) \$1,900.00 (month)	\$24,288.00 (year) \$2,024.00 (month)	\$24,114.48 (year) \$2,009.54 (month)
Adrian Public Library, Year 2	\$26,567.00 (year) \$2,213.92 (month)	\$23,400.00 (year) \$1,950.00 (month)	\$27,324.00 (year) \$2,277.00 (month)	\$27,656.40 (year) \$2,304.70 (month)
Adrian Police Department, Year 2	\$20,228.00 (year) \$1,685.67 (month)	\$14,400.00 (year) \$1,200.00 (month)	\$14,688.00 (year) \$1,224.00 (month)	\$13,634.40 (year) \$1,136.20 (month)
City Chamber Building, Year 2	\$743.00 (year) \$61.92 (month)	\$5,400.00 (year) \$450.00 (month)	\$1,980.00 (year) \$165.00 (month)	\$1,200.00 (year) \$100.00 (month)
TOTALS, YEAR 2	\$118,113.00	\$89,700.00	\$92,820.00	\$94,563.84

	(year) \$9,842.76 (month)	(year) \$7,475.00 (month)	(year) \$7,735.00 (month)	(year) \$7,880.32 (month)
EXTRA SERVICE				
Hourly Rate/Extra Cleaning	\$25.00	\$20.00	\$13.50	\$16.75
Hourly Rate/Special Events	\$50.00	\$20.00	\$13.50	\$16.75
Hourly Rate/Extra Weekend	\$50.00	\$20.00	\$20.25	\$21.75

WHEREAS, the Assistant Director of Finance and City Administrator recommend the acceptance of the low bidder, Top To Bottom Cleaning, Tipton, Michigan, for the engagement in the City's Standard Professional Services Contract for Janitorial Services; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution, hereby authorizes the acceptance of the low bid of Top To Bottom Cleaning, Tipton, Michigan, and engagement in the City's Standard Professional Services Contract for Janitorial Services, under the terms and conditions as submitted and as proposed in their sealed bids dated May 22, 2014.

CR14-046

RE: DEPARTMENT OF FINANCE – Resolution to award the annual bid for Pavement Repair for the 2014-15 Fiscal Year

WHEREAS, the City of Adrian Purchasing Office, in collaboration with the Engineering Department, has solicited and received bids on Thursday, May 29, 2014 for the 2015 construction season for execution of the citywide pavement patching program, with the following results:

<u>Vendor</u>	<u>Location</u>	<u>Amt./SqFt</u>
Slusarski Excavating	Adrian, MI	\$3.94
K&B Asphalt Sealcoating	Clayton, MI	\$3.65
Michigan Paving	Jackson, MI	\$7.00
Barrett Paving	Ypsilanti, MI	\$11.50

WHEREAS, the City Project Manager and City Administrator recommend the acceptance of K & B Asphalt Sealcoating bid, at a cost not to exceed \$3.65 per square foot of surface patched; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution, hereby authorizes the acceptance of the bid of K & B Asphalt Sealcoating, Clayton, Michigan, and engagement in the City's Standard Professional Services Contract for

execution of the citywide pavement patching program, at a cost not to exceed \$3.65 per square foot of surface patched.

CR14-047

RE: DEPARTMENT OF FINANCE – Resolution to award the annual bid for Precast Concrete for the 2014-15 Fiscal Year

WHEREAS, the City of Adrian Purchasing Office, in collaboration with the Department of Public Works and the Department of Water Distribution, has solicited and received bids on Thursday, May 29, 2014 for the FY 2015 Precast Concrete, with the following results:

ITEM	HD Supply Waterworks. Canton, MI	Grand Valley Concrete Prod. Grand Rapids, MI
Manhole Accessories:		
2 ft. base 8"x48" (cookie)	\$ 100.40 ea.	\$63.00 ea.
4 ft. base 8"x72" (cookie)	\$ 169.09 ea.	\$96.00 ea.
4 ft. top 8"x58" (donut)	\$158.52 ea.	\$160.00 ea.
Adjusting Rings:		
2" x 24"	\$22.73 ea.	\$18.00 ea.
3" x 24"	\$34.10 ea.	\$22.00 ea.
6" x 24"	\$68.18 ea.	\$48.00 ea.
Manhole Sumps:		
24" x 24", 6" walls	\$47.56 ea.	\$159.00 ea.
48" x 24"	\$121.53 ea.	\$240.00 ea.
Barrel Block:		
24" dia. X 6"	\$1.07 ea.	\$1.80 ea./min order 105
48" dia. X 6"	\$1.07 ea.	\$1.80 ea./min order 105
Load Charge	None	\$400.00/less than full truck
Minimum Order	2 each	
Conditions	48-72 Hours advance notice	Net 30

WHEREAS, the Assistant Director of Finance and City Administrator recommend the acceptance of the low bidder, Grand Valley Concrete Products, Grand Rapids, Michigan, for the engagement in the City's Standard Professional Services Contract for Precast Concrete; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution, hereby authorizes the acceptance of the low bid of Grand Valley Concrete Products, Grand Rapids, Michigan, and engagement in the City's Standard Professional Services Contract for Precast Concrete, under the terms and conditions as submitted and as proposed in their sealed bids dated May 29, 2014.

CR14-048

RE: DEPARTMENT OF FINANCE – Resolution to award the annual bid for PVC Pipe for the 2014-15 Fiscal Year

WHEREAS, the City of Adrian Purchasing Office, in collaboration with the Department of Public Works and Water Distribution Department, has solicited and received bids on Thursday, May 29, 2014 for the FY 2015 PVC Pipe, with the following results:

ITEM	Michigan Pipe Jackson, MI	H.D. Supply Waterworks Canton, MI
Polyethylene (per ft):		
6"	\$ 2.75	\$ 2.73
8"	\$ 3.95	\$ 4.39
10"	\$ 5.15	\$ 5.96
12"	\$ 5.20	\$ 6.61
15"	\$ 7.15	\$ 8.36
18"	\$ 9.90	\$ 11.72
Plastic PVC (per foot):		
6"	\$ 1.90	\$ 1.87
8"	\$ 3.40	\$ 3.40
10"	\$ 5.15	\$ 5.22
12"	\$ 7.65	\$ 7.45
15"	\$ 11.45	\$ 11.53
18"	\$ 27.50	\$ 17.72
Perforated Sock Tile (per foot):		
4"	\$.55	\$.53
6"	\$ 1.05	\$ 1.33
Minimum Order	\$100.00 minimum order	\$500.00 minimum order
Delivery	3 calendar days	3-5 calendar days

WHEREAS, the Assistant Director of Finance and City Administrator recommend the acceptance of the low bidder Michigan Pipe, Jackson, Michigan, for the engagement in the City's Standard Professional Services Contract for PVC Pipe; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution, hereby authorizes the acceptance of the low bid of Michigan Pipe, Jackson, Michigan, and engagement in the City's Standard Professional Services Contract for PVC Pipe, under the terms and conditions as submitted and as proposed in their sealed bids dated May 29, 2014.

CR14-049

RE: DEPARTMENT OF FINANCE – Resolution to award the annual bid for Ready Mix Concrete for the 2014-15 Fiscal Year

WHEREAS, the City of Adrian Purchasing Office, in collaboration with the Department of Public Works and the Department of Water Distribution, has solicited and received bids on Thursday, May 29, 2014 for the FY 2015 Ready Mix Concrete, with the following results:

ITEM	Darby Ready Mix Addison MI	Doan Companies Adrian MI
Class P1 6 bag	\$ 79.50	\$ 76.50
Class HE	\$ 84.50	\$ 82.50
Chloride	\$1.50 per 1%	\$ 2.00
Heat in Winter	\$ 5.00	\$ 5.00
Extra for Fiber	\$ 5.00	\$ 5.00
Minimum Load	None	None
Flowable Fill	\$62.00	\$66.50
Delivery	2 hours	2 hrs
Price to city work	Will extend	Will extend
Payment terms	Net 30	Net 30

WHEREAS, the Assistant Director of Finance and City Administrator recommend the acceptance of the low bidder, Doan Companies, Adrian, Michigan, for the engagement in the City's Standard Professional Services Contract for Ready Mix Concrete; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution, hereby authorizes the acceptance of the low bid of Doan Companies, Adrian, Michigan, and engagement in the City's Standard Professional Services Contract for Ready Mix Concrete, under the terms and conditions as submitted and as proposed in their sealed bids dated May 29, 2014.

CR14-050

RE: DEPARTMENT OF FINANCE – Resolution to award the annual bid for Street Castings for the 2014-15 Fiscal Year

WHEREAS, the City of Adrian Purchasing Office, in collaboration with the Department of Utilities, has solicited and received bids on Thursday, May 29, 2014 for the 2015 purchase of Street Castings, with the following results:

ITEM	EJ USA East Jordan MI	HD Supply Waterworks Canton MI	Pricing 2013-14
Manhole Castings:			
1046 EJ w/lid	\$171.95	\$184.69	\$171.95
1040 EJ	\$197.55	\$212.19	\$197.55
Manhole Lids:			
Type M1	\$131.70	\$141.46	\$131.70
Type M3 ADAgrate	\$197.82	\$212.48	\$197.82
Type N	\$137.80	\$148.01	\$137.80
1040AGS cover	\$169.53	\$182.09	\$169.53
1040A cover	\$141.47	\$151.95	\$141.47
1040APT assembly	\$352.43	\$162.43	\$352.43
Catch Basin Castings:			
7045 w/adj back	\$445.17	\$478.17	\$445.17

7065 w/driveway back	\$451.51	\$484.98	\$451.51
7000 w/adj back	\$435.88	\$470.34	\$435.88
Catch Basin Grates:			
Type M1	\$112.88	\$121.25	\$112.88
Type M2	\$123.13	\$132.26	\$123.13
Misc:			
8560 Series box	\$164.87	\$177.09	\$164.87
5BR250 Hydrant	\$1,535.89	\$1,593.48	\$1,535.89
#8500 Series Risers:			
1" high	\$17.91	\$19.24	\$17.91
1-1/2" high	\$21.68	\$23.29	\$21.68
2" high	\$24.51	\$26.33	\$24.51
2-1/2" high	\$27.34	\$29.37	\$27.34
3" high	\$31.11	\$33.42	\$31.11
Manufacturer	EJ USA	EJ USA	EJ USA
Delivery	10 days	7 days	10 days
Discounts	N/A	N/A	N/A
	Net 30	Net 30	

WHEREAS, the Assistant Director of Finance and City Administrator recommend the acceptance of EJ USA, East Jordan, Michigan, for the engagement in the City's Standard Professional Services Contract for Street Castings; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution, hereby authorizes the acceptance of the bid of EJ USA, East Jordan, Michigan, and engagement in the City's Standard Professional Services Contract for Street Castings, under the terms and conditions as submitted and as proposed in their sealed bids dated June 16, 2014.

CR14-051

RE: DEPARTMENT OF FINANCE – Resolution to award the annual bid for Wrecker Service for the 2014-15 Fiscal Year

WHEREAS, the City of Adrian Purchasing Office, in collaboration with the Police Department, has solicited and received bids on Thursday, May 29, 2014 for the FY 2015 Wrecker Service, with the following results:

ITEM	Poe's Towing Adrian, MI	Affordable Towing Adrian, MI
PART I		
To Remove Vehicle from City Street/direction APD	\$49.00	\$45.00
Towing from Outside City Limits/per mile	\$2.00	\$1.75
Service Call (Car/Pickup) within City Limits	\$0.00	\$0.00
Service Call (Dump) within City Limits	\$0.00	\$0.00

Service Call (Dial-A-Ride Bus or Sweeper) within City Limits	\$0.00	\$0.00
Tire Change	\$0.00	\$0.00
Dollying Locked Car	\$20.00	\$25.00
Clean Up Fee	\$20.00	\$20.00 Flat
Alternative Hourly Clean Fee	\$50.00	\$20.00
Towing Fee for Flat Bed	\$49.00	\$40.00
Storage Fee for City Vehicle	\$0.00	\$0.00
Storage Fee for Impound	\$15.00	\$15.00
PART II		
Fee charged to General Public (Other charge below)	\$50.00	\$50.00
Storage Fee per day	\$15.00	\$15.00
Other Charges		Winching starts at \$20/hr

WHEREAS, the Assistant Director of Finance and City Administrator recommend the acceptance of the low bidder Affordable Towing, Adrian, Michigan, for the engagement in the City's Standard Professional Services Contract for Wrecker Service; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 Annual Operating Budget

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution, hereby authorizes the acceptance of the low bid of Affordable Towing, Adrian, Michigan, and engagement in the City's Standard Professional Services Contract for Wrecker Service, under the terms and conditions as submitted and as proposed in their sealed bids dated May 29, 2014.

CR14-053

RE: ENGINEERING DEPARTMENT – Resolution to award the bid for Curb and Gutter for the 2014-15 Construction Season

WHEREAS, on behalf of the Engineering Department, the City of Adrian Purchasing Office has solicited and received bids on Tuesday, June 10 for the 2014 construction season for (Part A) which includes placing concrete curb and gutter, ADA ramp improvements, and miscellaneous flatwork on Haan St. from Beecher to the dead end, and (Part B) which includes placing concrete curb and gutter, ADA ramp improvements, and miscellaneous flatwork on Baker – Main (M-52) to Winter, Budlong – Maumee to Maple, Elm – Butler to Bristol, Hoch – South to Baker, Mulzer – Division to Haan, and Winter St – Maple to Front, Woodfield – N. Scott to Eastern Extents; and

WHEREAS, in response to a Request-for-Proposal, a total of two (2) bids were received from the following vendors on Tuesday, June 10, 2014 (specific details are provided in the attached cover memo):

<u>Vendor</u>	<u>Location</u>
GM & Sons, Inc.	Whitmore Lake, MI
Schug Construction	Adrian, MI

; and

WHEREAS, the Project Manager and City Administrator recommend distribution of the work among the following two (2) vendors for the reasons specified, cost and account distribution:

FY2013-14

Part A – GM & Sons, Inc. Whitmore Lake, MI Low Bid
Cost: \$26,615.00 (Account 203-451.58-801.203) Local St. Fund

FY2014-15 (plus FY2013-14 carry forwards)

Part B – Schug Construction Adrian, MI Low Bid
Cost: \$39,246.55 (Account 202-451.10-801.000) Major St. Fund
 \$30,337.90 (Account 203-451.10-801.000) Local St. Fund
Total: \$69,584.45

; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose, as detailed above, for a total cost estimated at \$96,199.45.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the acceptance of low bid and engagement of GM & Sons, Whitmore Lake, MI (Part A - \$26,615.00), and the low bid submitted by Schug Construction, Adrian, MI (Part B - \$69,584.45), in the City’s Standard Professional Services Contract to provide concrete work for the aforementioned streets at a total cost estimated at \$96,199.45.

CR14-054

RE: CITY COMMISSION – Resolution to approve/deny a request for street closure for the Splash and Dash Youth Triathlon event hosted by the YMCA of Lenawee County

WHEREAS, the YMCA of Lenawee County has applied for the closure of Burr Street and the intersection at S. McKenzie Street and Lincoln Avenue down to Burr Street on Saturday, July 12, 2014 from 7:00am until 12:00pm for the Splash & Dash Youth Triathlon event; and

WHEREAS, the City Commission has considered said request including all requested waivers from standard requirements.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the application of the YMCA of Lenawee County is hereby **approved**/denied).

IT IS FURTHER RESOLVED that requested waivers of standard conditions are (approved/denied).

IT IS FURTHER RESOLVED that the fee for use of City barricades shall be _____ for this event.

On motion by Commissioner Rising, seconded by Commissioner Berryman Adams, Consent Agenda resolutions CR14-041 thru CR14-054, **with the exception of CR14-052**,

which was moved to the regular agenda were adopted by a unanimous vote. ***CR14-054 was approved for the street closure.**

REGULAR AGENDA

ORDINANCES

Ord. 14-008. Second reading and adoption of a False Alarm Ordinance.

On motion by Commissioner Faulhaber, seconded by Commissioner Munson, this ordinance was adopted by a unanimous vote. **(Effective date – July 1, 2014)**

SPECIAL ORDERS

SO-1. Public hearing to hear and consider comments regarding the intent to form a Local Development Finance Authority.

Mayor Berryman opened the public hearing; there were no public comments and the Mayor declared the public hearing closed. A resolution will be presented in 60 days.

RESOLUTIONS

R14-057

RE: POLICE DEPARTMENT –False Alarm Fee Schedule

WHEREAS, the Adrian City Commission adopted a false alarm ordinance which will allow cost recovery through a fee schedule; and

WHEREAS, based on a review of other municipalities, the Chief of Police recommends the fee schedule below for the City of Adrian, effective July 1, 2014; and

First call in the calendar year	No Charge
Second call in the calendar year	No Charge
Third call in the calendar year	\$50
Fourth call in the calendar year	\$100
Fifth call in the calendar year	\$200
Sixth call in the calendar year	\$300
Seventh call in the calendar year	\$300
Eighth call in the calendar year	\$400
Ninth call in the calendar year	\$400
Tenth call in the calendar year	\$500
All additional calls in a calendar year	\$500

WHEREAS, the City Administrator recommends the approval of this resolution.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby adopts the following proposed fee schedule for the City of Adrian, effective July 1, 2014.

On motion by Commissioner Rising, seconded by Commissioner Dudas, this resolution was adopted by a unanimous vote.

R14-058

RE: POLICE DEPARTMENT –Purchase of cameras for the Detective Bureau

WHEREAS, the Adrian City Commission approved the purchase of Viewu LE3 body mounted cameras for uniformed patrol officers at the February 17, 2014 meeting at a cost of \$15,399.78 (R14-019).

WHEREAS, the police department has recorded strong evidence in numerous criminal cases as well as successfully defended itself against several false complaints, the Chief of Police would like to expand the program to include the detective bureau by purchasing an additional 3 assigned cameras and 2 spare units.

WHEREAS, the Chief of Police received an estimate from VIEVU for the purchase of 5 additional cameras at a cost of \$4,155.00

WHEREAS, the funds are available for this project in the Police Department non-drug forfeiture account (#701-000.00-277.000), at no cost to the City’s general fund.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the City Administrator and Chief of Police to purchase the cameras from Viewu, of Seattle Washington, at a cost not to exceed \$4,155.00.

BE IT FURTHER RESOLVED that the FY2013-14 Budget be amended as follows:

GENERAL FUND:

Revenue:

101-301.00-676.701	Contribution-Trust Fund	\$4,155.00
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Expenditure:

101-301.00-977.000	Capital Equipment	\$4,155.00
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On motion by Commissioner Berryman Adams, seconded by Commissioner Munson, this resolution was adopted by a unanimous vote.

R14-059

RE: FIRE DEPARTMENT -Authorization for Fireworks Display for Christian Family Centre for Community Celebration Day on August 2, 2014 with a rain date of August 4, 2013

WHEREAS, the Adrian Fire Chief has received and reviewed a Fireworks Display Permit from the Christian Family Centre located at 1800 W. US-223, Adrian, MI and Colonial Fireworks of Toledo, Ohio for an annual community celebration on Saturday, August 2, 2014; and

WHEREAS, the Fire Chief has identified the location of the firing area to be on property owned by The Christian Family Centre at the northwest corner of U.S. 223 and Wolf Creek Highway; and

WHEREAS, the Fire Chief further recommend approval of the requested permit and authorization for the City Clerk to sign said permit, providing the following actions be taken regarding establishment of safe distances for the viewing public in adherence to the National Fire Protection Association guidelines:

1. A safety zone of 210 feet is maintained during the show preparation, firing of aerial shells and cleanup and removal of debris by staff of Colonial Fireworks and the Christian Family Centre. This zone shall be free of spectators, pedestrians and vehicles during the event.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, approves the Fireworks Display Permit for August 2, 2014, requested by the Christian Family Centre, with the aforementioned provisions in adherence to the National Fire Protection Association Guidelines, authorizing the City Clerk to sign said permit.

On motion by Commissioner Gallatin, seconded by Commissioner Munson, this resolution **to approve the request** was adopted by a 5-2-0 vote.

R14-060

RE: FIRE DEPARTMENT – Authorization to Issue Permit for Fireworks Display to Colonial Fireworks July 26, 2014.

WHEREAS, the Adrian Fire Chief has received and reviewed an application for a Fireworks Display from Colonial Fireworks Company finding all documentation sufficient; and

WHEREAS, the display is to take place at the Lenawee County Fair and Event Grounds; and

WHEREAS, the Adrian Fire Chief has identified the location of the firing area to be on Fair owned property; and

WHEREAS, the Adrian Fire Chief further recommends approval of the requested permit and authorization for the City Clerk to sign said permit, provided the following actions be taken regarding establishment of safety of persons, buildings and grounds at Lenawee County Fair and Event Grounds:

1. All buildings and vehicles within the safe zone as depicted on the diagram provided by Colonial Fireworks Company are vacant during the fireworks display.
2. The safe zone as depicted on the diagram provided by Colonial Fireworks Company is free from pedestrian traffic during the fireworks display.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission by this resolution approves the Fireworks Display Permit for July 26, 2014 by Colonial Fireworks Company on behalf of the Lenawee County Fair and Event Board.

On motion by Commissioner Dudas, seconded by Commissioner Berryman Adams, this resolution **to approve the request** was adopted by a unanimous vote.

R14-061

RE: UTILITIES DEPARTMENT –Authorization to Contract Construction Engineering Services for Brick Arch Sewer Rehabilitation/Replacement Project

WHEREAS, the Utilities Director, solicited and received a proposal from Jones & Henry Engineers, LTD., Toledo, OH to provide construction engineering services for the Brick Arch Sewer Rehabilitation/Replacement Project; and

WHEREAS, the proposal is broken down into two categories: Office Engineering (\$55,000), including conducting of construction meetings, shop drawing reviews, reviewing contractor's pay requests, clarifying contract documents, preparing change orders, if needed, and providing record drawings at the close of the project; and a Resident Project Representative (\$40,000) for twenty (20) weeks of field oversight; and

WHEREAS, Jones & Henry Engineers, LTD., Toledo, OH, prepared the preliminary and final design engineering for this project at a cost not to exceed \$162,000 and now the Utilities Director recommends that this same firm be engaged to provide construction engineering for this project at a cost not to exceed \$95,000; and

WHEREAS, the Utilities Director and Finance Director indicates that sufficient funds for this purpose are available and requests that appropriate budget amendments be authorized; and

WHEREAS, the Utilities Director and City Administrator recommend engagement of Jones & Henry Engineers, LTD., Toledo, OH., in the City's Standard Professional Services Contract for the purpose of providing construction engineering services for the Brick Arch Sewer Rehabilitation/Replacement Project at a cost not to exceed \$95,000, and that, because of the firm's familiarity with the City's Sewer Collection System, and this project in particular due to prior engagements, the competitive bid process be waived.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the engagement of Jones & Henry Engineers, LTD., Toledo, OH., in the City's Standard Professional Services Contract for the purpose of providing construction engineering for the Brick Arch Sewer Rehabilitation/Replacement Project at a cost not to exceed \$95,000.

BE IT, FURTHER, RESOLVED that the FY2014-15 Budget be amended as follows:

Capital Project Fund-Sewer (497)

Sewer Capital Projects Fund:

497-000.00-676.591	Transfer In-Sewer	\$95,000.00
497-555.00-975.517	Brick Arch Sewer Project	\$95,000.00

Sewer Fund:

590-000.00-697.000	Prior Years Revenue	\$95,000.00
590-965.00-969.496	Transfer Out-Capital Projects	\$95,000.00

BE IT, FURTHER, RESOLVED that, in the best interests of the City, the competitive bid process be waived, in accordance with the City's Purchasing Policy as specified in Chapter 12 of the City Charter and Section 2-304 of the Codified City Ordinances.

On motion by Commissioner Berryman Adams, seconded by Commissioner Gallatin, this resolution was adopted by a unanimous vote.

R14-062

RE: ENGINEERING DEPARTMENT- Construction Services -Division Street

WHEREAS, the City of Adrian Engineering Department solicited a sole source price for construction engineering oversight services for the Division Street reconstruction project from Tetra Tech not to exceed \$62,000.00; and

WHEREAS, the City Engineering Department shall be awarded 2014 funds through the MDOT Small Urban Grant program, which requires a local match of which, the entire \$62,000 can be used; and

WHEREAS, professional engineering standards and requirements of the MDOT are very rigorous and do dictate that all documentation meet the requirements of MDOT and FHWA throughout construction; and

WHEREAS, staff from the Engineering and Utilities Departments shall maintain a level of construction oversight to reduce the cost of the use of Tetra Tech and this contract; and

WHEREAS, Tetra Tech was under separate contract with the City of Adrian to complete the final design through the MDOT for this project, their familiarity with the plans and specifications is vast; and

WHEREAS, the Project Manager and City Administrator recommend acceptance of the sole source price not to exceed \$62,000.00 from Tetra Tech, Ann Arbor, MI to support the City with part time construction oversight functions and engagement in the City's Standard Professional services Contract; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the following Funds:

202-451.09-801.203	Division Street Project	\$43,400.00
496-552.00-975.149	Utilities	\$18,600.00

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the waiving of bids and acceptance of the sole source price from Tetra Tech, Ann Arbor, MI for engagement in the City's Standard Professional services Contract at a cost not to exceed \$62,000.00 to support the City with part time construction oversight functions to meet requirements set forth by the Michigan Department of Transportation (MDOT).

On motion by Commissioner Berryman Adams, seconded by Commissioner Munson, this resolution was adopted by a unanimous vote.

R14-063

RE: ENGINEERING –Church Street Parking Lot – Authorization to Purchase Precast Concrete Tree Filter Stormwater Management Systems

WHEREAS, the City of Adrian Engineering Department solicited a sole source price for design and build services for seven (7) precast concrete tree filter stormwater management boxes as approved by the Michigan Department of Environmental Quality (MDEQ) for use in the Church Street Parking Lot rehabilitation project; and

WHEREAS, the tree filter systems shall be included in the reimbursable items in the grant portion of this project which the MDEQ is funding; and

WHEREAS, a proposal meeting the criteria set forth by the MDEQ, and as solicited by the Engineering Department, was received from StormTree from Providence, RI, who have successfully completed many projects of this capacity; and

WHEREAS, StormTree uses Michigan based companies to build their product and supply all materials as specified in their proposal: and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose, as detailed above, for a total cost of \$59,500.00 in the Auto Parking Fund (585-546.00-975.000 Capital Improvements).

NOW THEREFORE BE IT RESOLVED that, the Adrian City Commission, by this resolution, hereby authorizes the purchase of seven (7) StormTree systems and related components from StormTree of Providence, RI for \$8,500 each for a total price of \$59,500.00 pending written approval of said systems from the MDEQ.

BE IT FURTHER RESOLVED that, in the best interest of the City, the competitive bid process be waived, in accordance with the City's Purchasing Policy as specified in Chapter 12 of the City Charter and Section 2-304 of the Codified City Ordinances.

On motion by Commissioner Gallatin, Seconded by Commissioner Berryman Adams, this Resolution was adopted by a unanimous vote.

R14-064

RE: UTILITIES DEPARTMENT –Water Treatment Plant – Authorization to Contract Construction of Bulkheads at Lake Adrian Dam

WHEREAS, the Lake Adrian Dam was constructed in 1941 to provide a surface water source of water for the City of Adrian; and

WHEREAS, the dam was constructed with two floodgates on the bottom of the structure to help control the lake level in Lake Adrian. During a storm event in June of this

year we discovered our North floodgate was lodged open approximately one foot and was left inoperable; and

WHEREAS, the Adrian City Commission, by Resolution #R13-191 dated September 3, 2013, authorized Spicer Group of St. Johns, MI to provide services associated with preliminary engineering, MDEQ permitting, final design and bidding for the Lake Adrian Dam repair project for a total fee of \$34,000.00; and

WHEREAS, the Lake Adrian Dam Improvement Project is currently out for bid, sealed bids are due on July 1, 2014; and

WHEREAS, with the dryer summer months we are experiencing significant drawdown of the lake due to continued leakage around the damaged floodgate; and

WHEREAS, through our engineer, Spicer Group, we have solicited a quote to install (2) bulkheads to seal the upstream side of the spillway using fabricated steel channel and plate steel from Gerace Construction of Midland, MI for \$27,500.00, this would seal off this leakage to prevent continued drawdown until the main floodgates can be replaced; and

WHEREAS, this bulkhead work is part of the Lake Adrian Dam Improvement Project, by performing this work now we can prevent continued drawdown of the lake during the heat of July. We would eliminate this part of the work from the Lake Adrian Dam Improvement Project; and

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the engagement of Gerace Construction of Midland, MI for installation of (2) bulkheads on the upstream side of the spillway to prevent continued loss of water through the damaged floodgate for a total price of \$27,500.00

BE IT FURTHER RESOLVED that, in the best interest of the City, the competitive bid process be waived, in accordance with the City's Purchasing Policy as specified in Chapter 12 of the City Charter and Section 2-304 of the Codified City Ordinances.

BE IT FURTHER RESOLVED that this project would be funded out of the FY2013-14 Water Fund Capital Budget with the budget amendment as follows:

Water Capital Projects Fund:		
496-549.00-975.139	Lake Adrian Flood Gates	\$27,500.00
496-549.00-977.567	Beecher Tank Painting	(\$23,448.50)
496-549.00-977.573	WSPS Tank Repair	(\$ 4,051.50)

On motion by Commissioner Berryman Adams, seconded by Commissioner Dudas, this resolution was adopted by a unanimous vote.

R14-065

RE: UTILITIES DEPARTMENT – Wastewater Treatment Plant – Authorization to Contract Preliminary Engineering for Soil Mitigation Project

WHEREAS the wastewater treatment plant has experienced continual settling of soils in the area in and around the main switchgear, metering pad and thickener tank due to an improper abandonment of an Imhoff tank that was abandoned in 1948 and filled with soil in 1967; and

WHEREAS the settling has caused physical damage to the main switchgear pad that has resulted in additional stress on conduit and wiring within the switchgear as well as settling of soils in the surrounding meter pad, thickener tank and old lab building; and

WHEREAS Haengel & Associates was contracted (Resolution R13-179 on August 19, 2013) to provide preliminary engineering including locating the boundaries of the abandoned Imhoff tank, surveying, and geotechnical exploration to develop a baseline for further remediation work in this area; and

WHEREAS Haengel and Associates has formulated a work plan for remediation of soils around the switchgear pad and lab building for a total cost of \$18,050.00; and

WHEREAS the Finance Director indicates that there are sufficient funds available for this purpose in the 2014-15 Sewer Fund Capital Budget (497-553-00-977.593); and

WHEREAS the Utilities Director and City Administrator recommend approval of this resolution for authorization to engage Haengel & Associates of Canton, MI in the City's Standard Professional Services Contract for purposes of providing engineering services to mitigate soil settling in and around the abandoned Imhoff tank site at the wastewater plant at a cost not to exceed \$18,050.00.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes to engage Haengel & Associates of Canton, MI in the City's Standard Professional Services Contract for purposes of providing engineering and construction services to mitigate soil settling in and around the abandoned Imhoff tank site at the wastewater plant at a cost not to exceed \$18,050.00.

BE IT FURTHER RESOLVED that, in the best interests of the City, the competitive bid process be waived, in accordance with the City's Purchasing Policy as specified in Chapter 12 of the City Charter and Section 2-304 of the Codified City Ordinances.

On motion by Commissioner Munson, seconded by Commissioner Dudas, this resolution was adopted by a unanimous vote.

R14-066

RE: ADMINISTRATION –Authorization to Partner with the Adrian Kiwanis Club for Completion of Gateway

WHEREAS, the City of Adrian received a donation of land located at 402 W. Maumee, the site of the former C.J.'s Penzoil in February 2003; and

WHEREAS, the City of Adrian has received a \$25,000 grant from the Adrian Kiwanis Club for site improvement to develop a small trailhead off of West Maumee for the Kiwanis Trail; and

WHEREAS, sealed bids for this project were received on September 26, 2013 with the lowest bidder coming in at \$117,773.00; and

WHEREAS, the Parks Department has budgeted \$40,000 for this project in the 2014-15 Fee Estate Capital Budget; and

WHEREAS, the Adrian Kiwanis Club has approached the City about reviving this project and has offered to become the General Contractor for this project and rely on their members to complete this project under the \$65,000 that has been allocated (\$25,000 Kiwanis grant and \$40,000 Fee Estate contribution) with any cost overruns to be absorbed by the Adrian Kiwanis Club; and

WHEREAS, the Adrian Kiwanis Club has been an outstanding community partner with the City of Adrian for many years and has offered to take over this project due to the high bids that were received and complete this project utilizing their members for the not to exceed price of \$65,000.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the partnership of the Adrian Kiwanis Club and the City of Adrian during construction of the Gateway Park Project for the not to exceed price of \$65,000 with \$25,000 coming from the Kiwanis grant and \$40,000 from the Fee Estate Capital Budget.

BE IT FURTHER RESOLVED that, in the best interests of the City, the competitive bid process be waived, in accordance with the City's Purchasing Policy as specified in Chapter 12 of the City Charter and Section 2-304 of the Codified City Ordinances.

On motion by Commissioner Rising, seconded by Commissioner Munson, this resolution was adopted by a unanimous vote.

R14-067

RE: ADMINISTRATION – Resolution Confirming the Appointment of William D. Sadler as the Director of Utilities

WHEREAS, a vacancy has existed in the position of Director of Utilities since my appointment to the City Administrator position in November 2013; and

WHEREAS, the City Charter provides that the appointment for this position shall be made by the City Administrator, subject to confirmation by the Adrian City Commission; and

WHEREAS, the City Administrator has reached a decision to appoint William D. Sadler as the Director of Utilities, effective June 30, 2014

NOW, THEREFORE, BE IT RESOLVED that the appointment of William D. Sadler as Director of Utilities for an indefinite period effective June 30, 2014 is hereby confirmed, being subject to an employment agreement to be entered into with the City of Administrator.

On motion by Commissioner Faulhaber, seconded by Commissioner Berryman Adams, this resolution was adopted by a unanimous vote.

R14-068

RE: HUMAN RESOURCES DEPARTMENT – Local 1511 International Association of Firefighters (IAFF) Union Contract Settlement

WHEREAS, the City of Adrian has recognized and engaged in collective bargaining with the Local 1511 International Association of Firefighters (IAFF); and

WHEREAS, through good faith bargaining on the part of both parties, an agreement has been reached covering the period from July 1, 2014 and including June 30, 2017, and is recommended for approval by the City Administrator; and

WHEREAS, the terms of said agreement include the following:

- 1) Schedule "A", Wages, Section 1: Revise as follows:
In the event non-union or other city employees are given cost-of-living increases between 7-1-14 and 6-30-17, the Fire Department will be given equal increases. This shall include any bonuses given to non-union personnel during the life of the agreement.
- 2) Article XXI, Vacation, Section K: Add section as follows:
Employees shall have the ability to use accrued vacation time in twelve (12) hour increments.
- 3) Article XIX, Retirement, Section A: Add language as follows:
After ratification of the agreement by both parties, for those employees hired after the effective date of this contract, Local 1511 shall choose a new MERS pension plan for such employees, which shall include the following:
 1. Final Average Compensation shall not include payments for overtime, accumulated sick time, and accumulated vacation time paid to a member.
 2. Employer Contribution Rate shall not exceed 10% of base salary for the normal cost of the pension plan and 13% of the base salary for the total required cost of the pension plan, with all additional cost of the pension plan paid by these employees by payroll deduction.
- 4) Other Tentatively Agreed upon items as follows:
 1. Clarification of language regarding overtime pay for personnel called in on emergency duty one hour or less before their assigned shift.
 2. Clarification of current practice prohibiting overtime or compensatory time off for employees called in while on a scheduled vacation or holiday.
 3. Clause indicating that employees shall be automatically retired at the end of the month in which they reach sixty-five (65) years of age.
 4. Clarification of language regarding equipment use while on overtime.
 5. Addition of a formula showing computation of overtime and holiday pay.
 6. Addition of language requiring Firefighters hired after July 1, 2012 to become and remain a licensed Paramedic.
 7. Clarification of current practice of compensating Firefighters who perform duties of a Fire Officer, Lieutenant or Captain as well as those assigned to an "acting" position as such.
 8. Modification of point system used to determine promotions to Lieutenant or Captain.

9. Addition of language allowing use of time-off if total balance equals less than 24-hours.
10. Addition of language indicating that the City will provide continuing education credits equal to current levels for individuals regardless of changes in level of EMS care and response.
11. Modification of Insurance language to reflect current cost-sharing of premiums, and change in new-hire waiting period in accordance with Affordable Healthcare Act.
12. Agreement to change references from "days" to "time" or "hours" throughout bargaining agreement.

NOW, THEREFORE, BE IT RESOLVED that the Collective Bargaining Agreement between the City of Adrian and the Local 1511 International Association of Firefighters (IAFF) is hereby approved, and the Mayor and City Clerk are authorized to execute said agreement on behalf of the City of Adrian.

On motion by Commissioner Munson; seconded by Commissioner Berryman Adams, this resolution was adopted by a unanimous vote.

R14-069

RE: **ENGINEERING DEPARTMENT– Asphalt Paving Program for 2014 Contract P-1-2014**

WHEREAS, on behalf of the Engineering Department, the City of Adrian Purchasing Office has solicited and received bids on Tuesday, June 10 for the 2014 construction season for (Part A) Paving Haan St. from Beecher to the dead end, and (Part B) Milling and Resurfacing of Baker – Main (M-52) to Winter, Budlong – Maumee to Maple, Elm – Butler to Bristol, Hoch – South to Baker, Mulzer – Division to Haan, and Winter St – Maple to Front, Woodfield – N. Scott to Eastern Extents; and

WHEREAS, in response to a Request-for-Proposal, a total of six (6) bids were received from the following vendors on Tuesday, June 10, 2014 (specific details are provided in the attached cover memo):

<u>Vendor</u>	<u>Location</u>
Slusarski Excavating & Paving	Adrian, MI
Gerken Paving	Napoleon, OH
American Asphalt	Lansing, MI
Quality Paving	Homer, MI
Michigan Paving	Jackson, MI
Barrett Paving	Ypsilanti, MI

; and

WHEREAS, the Project Manager and City Administrator recommend distribution of the work among the following two (2) vendors for the reasons specified, cost and account distribution:

FY2013-14

Part A – Slusarski Excavating	Adrian, MI	Low Bid by Local Preference Policy
Cost: \$ 25,416.20	(Account 203-451.58-801.203)	Local St. Fund

FY2014-15 (plus FY2013-14 carry forwards)

Part B – American Asphalt	Lansing, MI	Low Bid
Cost: \$ 64,148.81	(Account 202-451.10-801.000)	Major St. Fund
<u>\$222,454.19</u>	(Account 203-451.10-801.000)	Local St. Fund
Total: \$286,603.00		

; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose, as detailed above, for a total cost estimated at \$312,019.20.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the acceptance utilizing the Local Preference Policy for the second low bid and engagement of Slusarski Excavating & Paving, Adrian, MI (Part A - \$25,416.20), and the low bid submitted by American Asphalt, Lansing, (Part B - \$286,603.00), in the City's Standard Professional Services Contract to provide asphalt paving for the aforementioned streets at a total cost estimated at \$312,019.20.

Mayor Berryman gave his reason for requesting this resolution to be moved to the regular agenda; felt that even though the difference in bids was more than the 1.5% allowed in our Local Preference Policy, that Slusarski's of Adrian should be granted Part B of the contract. Discussions among the Commission included wanting to keep the \$286,000. in the City but also not wanting to lose bidders in the bidding process. It was agreed that the Commission needs to re-visit the Local Preference Policy.

On motion by Commissioner Berryman Adams, seconded by Commissioner Gallatin, this resolution was adopted by a 6-1-0 vote.

Ayes: Commissioners Berryman Adams, Rising, Dudas, Munson, Faulhaber and Gallatin

Nays: Mayor Berryman

Abstained: none

PUBLIC COMMENT

1. Ray Maxe – former Parks Director – expressed frustration of how badly the parks look, especially Trestle Park and Comstock Park – Fee Estate Funds are not being used properly.
2. Dick Boff – Kiwanis – thanked the Commission for approving the resolution for the Gateway Park Project.
3. Dale Zorn – introduced himself as a candidate for the Senate, District 17.
4. Mike Springer – Firefighter – thanked the Commission for adopting the IAFF Contract; asked the Commission to consider a cost of living raise.

COMMISSIONER COMMENTS

1. Commissioner Faulhaber appreciated Mr. Maxe's comments; feels there is a problem with productivity in the Parks Department.

2. Commissioner Munson feels that if we introduce ordinances to keep the public and businesses responsible for their property, the City should do the same with their property.
3. Commissioner Rising encouraged the public to vote the next time there is a proposal on the ballot to bring in more revenue.
4. Commissioner Dudas hoped that citizens will be just as passionate when we have our town hall meetings with the public.
5. Mayor Berryman encouraged the public to see the positive things that are being accomplished the Commission and various service clubs that step up help get things done.

The next regular meeting of the Adrian City Commission will be held on Monday, July 7, 2014 at 7:00 p.m. in the City Chambers Building, 159 E. Maumee St, Adrian, MI 49221.

Jim Berryman
Mayor

Pat Baker
City Clerk

**MINUTES
ADRIAN CITY COMMISSION
SPECIAL MEETING
JUNE 16, 2014
6:00PM**

Mayor Berryman opened the meeting with a roll call and all Commission members were present.

Mayor Berryman & Commissioners Munson, Gallatin, Faulhaber, Rising, Dudas & Berryman Adams.

Commissioner Berryman Adams motioned to go into closed session to discuss labor negotiations; this was seconded by Commissioner Gallatin and adopted by a unanimous vote.

The Commission came out of closed session at 6:59pm; entered the Commission Chambers and began the regularly scheduled meeting of the City Commission.

Jim Berryman
Mayor

Pat Baker
City Clerk

**MINUTES
SPECIAL MEETING
ADRIAN CITY COMMISSION
MONDAY, JUNE 30, 2014
6:00PM**

Mayor Berryman called the special meeting of June 30, 2014 to order at 6:00pm.

Those Commission members present were: Mayor Berryman and Commissioners Gallatin, Faulhaber, Dudas, Berryman Adams and Rising. Commissioner Munson reported that he would be late for the meeting.

Commissioner Gallatin motioned to excuse Commissioner Munson, who stated that he would be late for the meeting; this was seconded by Commissioner Dudas, and adopted by a 6-0 vote.

Commissioner Faulhaber motioned to go into closed session to discuss union negotiations; this was seconded by Commissioner Berryman Adams and approved by 6-0 vote.

The Commission came out of closed session at 6:34 pm; waiting a few moments for the public to re-enter the Commission meeting room.

Commissioner Munson came in at 6:40pm.

R14-070

RE: HUMAN RESOURCES DEPARTMENT – Police Officers Association of Michigan Union Contract Settlement.

WHEREAS, the City of Adrian has recognized and engaged in collective bargaining with the Police Officers' Association of Michigan (POAM); and

WHEREAS, through good faith bargaining on the part of both parties, an agreement has been reached covering the period from July 1, 2014 and including June 30, 2018, and is recommended for approval by the City Administrator; and

WHEREAS, the terms of said agreement include the following:

1. The terms of the parties' Contract shall be the same as the parties' previous contract, as amended by this Agreement.
2. In the first possible pay period following ratification of this agreement, employees shall receive a 1% cost-of-living pay increase.
3. During fiscal years 2015-2016, and 2016-2017 (years 2 and 3 of the agreement), any cost-of-living increases or bonuses given to non-union employees, or agreed to between the City and another union, will also be awarded to POAM employees.
4. In fiscal year 2017-2018 (year 4 of the agreement), employees shall receive a 2% cost-of-living pay increase. Any cost-of-living increases awarded to non-union employees; or agreed to between the City and another union (above 2%) will also be awarded to POAM employees.
5. Beginning July 1, 2017 (year 4 of the agreement), all employees who maintain their MCOLES certification shall receive an annual \$1,000 education premium.
6. As soon as practicable following ratification, the union agrees to accept the same healthcare changes and monthly employee contribution amounts imposed upon non-union employees on July 1, 2014.
During the life of the agreement, any additional healthcare changes and monthly employee contribution amounts imposed upon non-union employees shall be accepted by POAM members. At open enrollment, the union may vote to keep their current plan and pay the difference between what the City contributes toward non-union healthcare and the monthly premium of the plan they voted to keep.
7. Any uniform purchases in the one (1) year period prior to retirement must be approved in writing by the Chief of Police.

8. Holiday schedule for those assigned to the Detective function shall be incorporated into the Holiday Section of the contract, and removed as a "Letter of Understanding" at the end of the contract.
9. "Letter of Understanding" regarding Court Officer position shall be removed from the bargaining agreement as this position no longer exists.
10. "Letter of Understanding" regarding hiring of officers who are not certified shall be removed from the bargaining agreement as this does not reflect current practice.
11. New-hire waiting period for insurance shall be changed from 12-weeks to the first day on or following 60-days of employment in accordance with changes made under the Affordable Healthcare Act.

NOW, THEREFORE, BE IT RESOLVED that the Collective Bargaining Agreement between the City of Adrian and the Police Officers' Association of Michigan (POAM) is hereby approved, and the Mayor and City Clerk are authorized to execute said agreement on behalf of the City of Adrian.

On motion by Commissioner Rising; seconded by Commissioner Berryman Adams, this resolution was adopted by a 7-0 vote.

R14-071

RE: ADMINISTRATION – Resolution Confirming the Appointment of Todd J. Brown as the Parks & Engineering Services Director

WHEREAS, a vacancy has existed in the positions of Parks & Forestry Director as well as City Engineer; and

WHEREAS, an opportunity is available to provide budgetary savings by combining these two department head positions into one position; and

WHEREAS, the City Charter provides that the appointment for this position shall be made by the City Administrator, subject to confirmation by the Adrian City Commission; and

WHEREAS, the City Administrator has reached a decision to appoint Todd J. Brown as the Parks & Engineering Services Director, effective July 1, 2014

NOW, THEREFORE, BE IT RESOLVED that the appointment of Todd J. Brown as Parks & Engineering Services Director for an indefinite period effective July 1, 2014 is hereby confirmed, being subject to an employment agreement to be entered into with the City Administrator.

On motion by Commissioner Faulhaber, seconded by Commissioner Munson, this resolution was adopted by a 7-0 vote.

PUBLIC COMMENT

There was no public comment

COMMISSIONER COMMENTS

The Commission congratulated Todd Brown on his appointment to the Parks and Engineering Services Director position and look forward to working with him in this capacity.

The special meeting was adjourned at 7:05pm.

Jim Berryman
Mayor

Pat Baker
City Clerk



CHECK REGISTER

July 7, 2014

I have examined the attached vouchers and recommend approval of them for payment.



Shane Horn
City Administrator

SAH:mld

RESOLVED, that disbursements be and they are hereby authorized for warrants directed to be drawn on the City Treasurer for the following:

Utility Department Vouchers	
Vouchers #3967 through #3976	\$174,439.19
General Fund	
Vouchers #21988 through #22006	\$597,668.74
Clearing Account Vouchers	
amounting to.....	<u>\$323,980.32</u>
TOTAL EXPENDITURES	<u>\$1,096,088.25</u>

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was _____
by a _____ vote.

July 7, 2014

UTILITIES FUND
CHECK REGISTER

CHECK#	AMOUNT	PAYEE	DESCRIPTION
3967	\$ 76.82	Frontier Communication	June 2014 Telephone
3968	\$ 24,482.28	City of Adrian Clearing	6/16/14 AP Check Register
3969	\$ 50,225.79	Consumers Energy	June 2014 Electric
3970	\$ 1,089.53	Citizens Gas	May 2014 Heating
3971	\$ 299.52	City of Adrian - Utilities	May 2014 Water
3972	\$ 39.49	Frontier Communication	June 2014 Telephone
3973	\$ 58,687.62	City of Adrian - Payroll	Payroll w/e 6/20/14
3974	\$ 2,000.00	US Postmaster	Water bill postage
3975	\$ 60.00	City of Adrian - Rec Trust	NSF Fees
3976	\$ 61,960.42	City of Adrian - Payroll	Payroll w/e 7/3/14
	\$ 198,921.47		
	\$ (24,482.28)	Less: Check 3968	
	\$ 174,439.19	TOTAL	

July 7, 2014

July 7, 2014

GENERAL FUND
CHECK REGISTER

CHECK#	AMOUNT	PAYEE	DESCRIPTION
21988	\$ 755.20	Frontier Communication	May 2014 Telephone
21989	\$ 131,645.96	City of Adrian - Clearing	6/16/14 AP Check Register
21990	\$ 29,922.45	Consumers Energy	June 2014 Electric
21991	\$ 1,406.62	Citizens Gas	April 2014 Heating
21992	\$ 1,889.39	City of Adrian - Utilities	May 2014 Water
21993	\$ 233.01	Frontier Communication	June 2014 Telephone
21994		City of Adrian - Utilities	EFT State of Michigan June 2014
21995	\$ 197,846.46	City of Adrian - Payroll	Payroll w/e 6/20/14
21996	\$ 14,548.72	First Federal	Soc. Security w/e 6/20/14
21997		City of Adrian - Utilities	EFT State of Michigan June 2014
21998	\$ 2,386.48	U S Postmaster	6/20/14 refuse bills postage
21999	\$ 8,266.33	Nola's Transportation	Payroll w/e 6/23/14
22000	\$ 410.00	Chelsey Cline	Refund on Rental
22001	\$ 34,033.05	Lenawee Fuels	Fuel Delivery 6/18/14
22002	\$ 20.00	Lenawee County Probate	Amend declaratory judgement
22003	\$ 105,456.48	Blue Cross Blue Shield	July 2014 Premium
22004	\$ 2,035.77	US Postmaster	Tax bill postage
22005	\$ 185,149.19	City of Adrian Payroll	Payroll w/e 7/3/14
22006	\$ 13,309.59	First Federal	Soc. Security w/e 7/3/14
	\$ 729,314.70		
	\$ (131,645.96)	Less : Check 21989	
	\$ 597,668.74		

July 7, 2014

User: SHOLTZ

EXP CHECK RUN DATES 01/01/2014 - 07/07/2014

DB: Adrian

BOTH JOURNALIZED AND UNJOURNALIZED

Claimant	OPEN Amount Claimed	Amount Owed	Amount Rejected
1. ACTING UP THEATER CO.	300.00		
2. ADRIAN AREA CHAMBER OF COMMERCE	162.00		
3. ADRIAN COMMUNICATIONS	763.65		
4. ADRIAN LOCKSMITH & CYCLERY	20.77		
5. ADRIAN MECHANICAL SERVICES CO	1,138.54		
6. ADRIAN NAPA	69.90		
7. ADRIAN OVERHEAD DOORS	173.50		
8. ADRIAN WATER CONDITIONING INC	20.95		
9. ADVANCE AUTO PARTS COMMERCIAL CHR	3.99		
10. AIRGAS USA, LLC	1,029.84		
11. ALLIED WASTE SERVICES #259	63.00		
12. AMERICAN OFFICE SOLUTIONS, INC.	74.24		
13. AMERICAN RED CROSS	59.70		
14. ANALYTICAL TESTING CONSULTING	1,400.00		
15. ANN ARBOR HANDS ON MUSEUM	264.90		
16. APOLLO FIRE EQUIPMENT CO.	1,861.80		
17. APPLE MAT RENTAL	201.45		
18. ARCH WIRELESS	34.70		
19. ARCHBOLD EQUIPMENT CO	141.01		
20. ASSOCIATED ENGINEERS & SURVEYORS	300.00		
21. AUTO ZONE COMMERCIAL	250.29		
22. BAKER & TAYLOR BOOKS	4,056.26		
23. BANK OF AMERICA	19.20		
24. BATTERY WHOLESALE	43.22		
25. GREG BELL CHEVROLET CADILLAC INC	195.81		
26. BEN'S BUMP SHOP	1,557.21		
27. MARK BISHOP	20.00		
28. ROBERT BISHOP	248.43		
29. BLACK SWAMP EQUIPMENT	277.84		
30. TODD BROWN	20.00		
31. BUCK & KNOBBY EQUIP CO INC	845.90		
32. JOSH BURDINE	95.00		
33. BUSSING, HELEN	58.56		
34. CDW-G COMPUTER SUPPLIES	251.54		
35. CENGAGE LEARNING	4,706.25		
36. CHAMBERS CONTROL COMPANY	1,800.06		
37. CLIFT BUICK-GMC	56.70		
38. CLOVERDALE EQUIPMENT CO	14,950.00		
39. COMCAST	4.30		
40. CONSUMER ENERGY	9,000.00		
41. CONTINENTAL CARBONIC PRODUCTS INC	737.00		
42. CUTLER DICKERSON CO	269.46		
43. D & N UPHOLSTERY, INC.	675.00		
44. D PRINTER, INC.	110.00		
45. DAILEY ENGINEERING, INC.	540.00		
46. JAMES DAILEY	32.19		
47. THE DAILY TELEGRAM	2,288.21		
48. DARBY READY-MIX	644.01		
49. JERRY DAVIS	103.70		
50. DEEMER, ALEX	586.50		

EXP CHECK RUN DATES 01/01/2014 - 07/07/2014
 BOTH JOURNALIZED AND UNJOURNALIZED

Claimant	OPEN Amount Claimed	Amount Owed	Amount Rejected
51. DEMCO INC	68.89		
52. MICHELLE DEWEY	20.00		
53. DEXTER'S INC.	33.00		
54. STEVE EBERLE	20.00		
55. EJ USA, INC.	10,435.43		
56. ENGLEWOOD ELECTRICAL SUPPLY	142.32		
57. FASTENAL COMPANY	1,364.01		
58. FEDERAL EXPRESS	34.57		
59. FIRE SAFETY EDUCATION	340.00		
60. FIRST ADVANTAGE	98.00		
61. FIRSTLAB	17.95		
62. FISHER SCIENTIFIC COMPANY LLC	395.41		
63. G T DISTRIBUTORS OF GEORGIA, INC.	8,119.65		
64. GALLANT & SON	57.61		
65. J.O. GALLOUP COMPANY	40.18		
66. GALL'S INC	127.34		
67. GAYLORD BROS INC	78.37		
68. GEOGRAPHIC INFORMATION SERVICES INC	10,000.00		
69. MARK GIGAX	20.00		
70. GOLDEN RAILINGS INC	53.00		
71. GOOD EARTH PRODUCTS, INC	289.22		
72. GOVERNMENTAL BUSINESS SYSTEMS INC	100.89		
73. GRAINGER INC.	442.33		
74. DARRIN GRIEWAHN	10.90		
75. DENISE GRITZMAKER	20.00		
76. HABITEC SECURITY INC	371.04		
77. HACH COMPANY	177.87		
78. HADDEN TIRE COMPANY	92.00		
79. HME INC.	57.27		
80. HOBBY LOBBY	40.91		
81. SHANE HORN	20.00		
82. HUBBARD'S AUTO CENTER INC	1,091.71		
83. I C M A VANTAGE POINT	4,665.13		
84. ICMA RETIREMENT CORPORATION	158.68		
85. INFORMATION TODAY INC	263.95		
86. INTERNATIONAL CITY-COUNTY	787.55		
87. CITY OF JACKSON	724.93		
88. JEFFREY A. STICKNEY, DO,PC	778.08		
89. JOHN DEERE LANDSCAPES	479.60		
90. JOHNSON'S SPORTING GOODS	40.00		
91. JAMES KARLE	20.00		
92. KARLE NURSERY & LANDSCAPING LLC	900.00		
93. KELLER THOMA, P.C.	146.30		
94. ERIC KELLY	20.00		
95. KEMIRA WATER SOLUTIONS INC	3,615.88		
96. KIRKPATRICK, JOHN	85.86		
97. DAVE KNAPP FORD LINCOLN	16.86		
98. KUSTOM SIGNALS, INC.	310.32		
99. LANSING SANITARY SUPPLY INC	887.02		
100. LARRY'S MUFFLER	20.00		

User: SHOLTZ

EXP CHECK RUN DATES 01/01/2014 - 07/07/2014

DB: Adrian

BOTH JOURNALIZED AND UNJOURNALIZED

Claimant	OPEN Amount Claimed	Amount Owed	Amount Rejected
101. LENAWEЕ COUNTY ADMIN OFFICE	6,671.24		
102. LENAWEЕ DISTRICT LIBRARY	13.00		
103. LENAWEЕ TIRE & SUPPLY CO, INC.	574.21		
104. LONG'S OUTDOOR POWER	631.82		
105. LOWE'S CREDIT SERVICES	2,240.90		
106. MAGLOCLEN	400.00		
107. MANGO LANGUAGES	2,894.85		
108. MICHAEL MARVIN	20.00		
109. MASSON'S ELECTRIC, INC	703.94		
110. MCGOWAN ELECTRIC SUPPLY INC	822.86		
111. MUNICIPAL UNEMPLOYMENT COMP	3,096.28		
112. MICHIGAN AMMO CO INC	4,787.50		
113. MICHIGAN ECONOMIC DEVELOPERS ASSOC	275.00		
114. MICHIGAN FIRE INSPECTOR'S SOCIETY	900.00		
115. MICHIGAN METER TECHNOLOGY GROUP INC	9,612.00		
116. MICHIGAN PIPE & VALVE INC	22.00		
117. STATE OF MICHIGAN	1,861.39		
118. MICHIGAN STATE UNIVERSITY	325.00		
119. MICROMARKETING LLC	602.15		
120. MIDWEST TAPE	320.70		
121. MOORE MEDICAL LLC	49.08		
122. H T MORIARTY CO INC	106.71		
123. MT BUSINESS TECHNOLOGIES, INC	340.49		
124. MUNICIPAL EMPLOYEES' RETIRE	102,055.75		
125. MUNICIPAL WEB SERVICES	200.00		
126. NOLA'S TRANSPORTATION	2,706.35		
127. NORTH EASTERN UNIFORMS & EQUIPMENT	3,240.43		
128. O.P. AQUATICS	952.93		
129. MIKE OSBORN	20.00		
130. OTIS ELEVATOR COMPANY	1,008.00		
131. OVERDRIVE, INC	924.99		
132. PARAGON LABORATORIES INC	163.00		
133. DAVID PATE	20.00		
134. PEERLESS SUPPLY INC	356.80		
135. PEST PATROL	982.00		
136. PETE'S RADIATOR SERVICE INC	393.11		
137. PLATINUM PLUS	3,286.14		
138. GLENN PRESTON	20.00		
139. PROMEDICA CORP OF MICHIGAN	523.00		
140. QUALITY BOOKS INC	99.34		
141. QUILL CORPORATION	298.12		
142. RAFT	200.00		
143. RED PAINT PRINTING LLC	262.50		
144. RONALD REED	52.75		
145. RHINO	915.89		
146. TIM RITCHIE	20.00		
147. ROBERTSON, EATON & OWEN, PC	6,100.00		
148. ROPES & RIGGING TREE SERVICE, LLC	7,399.20		
149. WILLIAM SADLER	20.00		
150. SAFETY SYSTEMS INC.	222.93		

Claimant	OPEN Amount Claimed	Amount Owed	Amount Rejected
151. CHARLES SCHMENK	80.00		
152. SEBCO BOOKS	52.02		
153. SHERWIN-WILLIAMS CO	226.95		
154. SJOSTROM, DAVE	5.28		
155. SPARTAN DISTRIBUTOR INC	378.04		
156. STAPLES CREDIT PLAN	298.99		
157. STATE INDUSTRIAL PRODUCTS	345.00		
158. STEVENS DISPOSAL	985.00		
159. STEVENSON LUMBER, INC.	157.75		
160. SUNSHINE MEDICAL SUPPLY, INC	907.95		
161. T & L RENTALS	84.20		
162. TELEDYNE ISCO, INC	5,557.50		
163. THE VEST MAN	260.00		
164. THERMO FISHER SCIENTIFIC LLC	1,764.50		
165. THOMAS SCIENTIFIC, INC	8,321.14		
166. THOMSON WEST	736.53		
167. T-MOBILE	29.99		
168. TRACTOR SUPPLY COMPANY	432.54		
169. TRI-CLOR INC	1,580.00		
170. TTB CLEANING LLC	3,275.00		
171. UNUM LIFE INSURANCE COMPANY	2,134.84		
172. UTILITIES INSTRUMENTATION SERVICE I	2,184.00		
173. VERIZON WIRELESS	971.69		
174. VERIZON WIRELESS	428.30		
175. VERIZON WIRELESS	79.32		
176. DENNIS VESCELIUS	212.69		
177. VF & ASSOCIATES, INC.	5,775.00		
178. VIEWU	4,155.00		
179. PAULA WEST	63.10		
180. WESTERN LIME CORPORATION	10,960.00		
181. WHITCHER PLUMBING & HEATING	509.02		
182. RYAN WHITE	20.00		
183. WINDSOR TWP EMERGENCY SERVICES	300.00		
184. WOODLANDS LIBRARY COOPERATIVE	368.02		
TOTAL ALL CLAIMS	323,980.32		



CONSENT AGENDA

RESOLUTION

RE: CLERKS OFFICE – Reappointment to Election Commission

WHEREAS, the term of office of Margaret Noe on the Election Commission have expired, which has created a vacancy on this board; and

WHEREAS, this vacancy must be filled in accordance with the Adrian City Charter; and

WHEREAS, Margaret Noe has expressed a willingness to continue serving on the Election Commission, if reappointed; and

WHEREAS, the Adrian City Commission has given careful consideration to the reappointment of the above-named individual to the Election Commission.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission does hereby approve the reappointment of Margaret Noe to the Election Commission for one year terms that will expire in July of 2015.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was _____ by a
_____ vote.

RESOLUTION

RE: CLERKS OFFICE – Reappointment to Election Commission

WHEREAS, the term of office of Jane Castle on the Election Commission have expired, which has created a vacancy on this board; and

WHEREAS, this vacancy must be filled in accordance with the Adrian City Charter; and

WHEREAS, Jane Castle has expressed a willingness to continue serving on the Election Commission, if reappointed; and

WHEREAS, the Adrian City Commission has given careful consideration to the reappointment of the above-named individual to the Election Commission.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission does hereby approve the reappointment of Jane Castle to the Election Commission for one year terms that will expire in July of 2015.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was _____ by a
_____ vote.

RESOLUTION

RE: CLERKS OFFICE – Reappointment to Election Commission

WHEREAS, the term of office of Waneta Raloff on the Election Commission have expired, which has created a vacancy on this board; and

WHEREAS, this vacancy must be filled in accordance with the Adrian City Charter; and

WHEREAS, Waneta Raloff has expressed a willingness to continue serving on the Election Commission, if reappointed; and

WHEREAS, the Adrian City Commission has given careful consideration to the reappointment of the above-named individual to the Election Commission.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission does hereby approve the reappointment of Waneta Raloff to the Election Commission for one year terms that will expire in July of 2015.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was _____ by a
_____ vote.

June 28, 2013

MEMORANDUM

TO: Shane Horn, City Administrator

FROM: Todd Brown, Project Manager

SUBJECT: 2015 Special Assessment District



In conjunction with the Capital Project Plan for the Fiscal Year 2014-15 the following project has been scheduled for a road reconstruction project. It has been common practice for approximately 30 years to assess property owners for 100 percent of the costs for concrete curb and concrete drive approaches based on property frontage for curb and for the total square footage of concrete drive approach on the street to be reconstructed.

Ballenberger is like no other street in the City of Adrian. The Right of Way, at its widest point is 33 feet with many mature trees and nicely manicured landscaping residing within the Right of Way. In order to construct a two-way road with curb, the minimum width allowed is twenty four (24) feet. Lake Adrian is on the east side of this road separated only by the earthen bank. Because of the proximity of the lake, it would be necessary to construct the road as close as possible to the western line of the Right of Way resulting in tree removal and a significant loss of the property owner's front yards. It would be unfortunate to construct a street to normal two-way City standards regarding width and some other standard construction methods.

A meeting was held on Ballenberger Road on June 25, 2014 to discuss this project with property owners (sign in sheet is attached). By unanimous vote of all in attendance, property owners wish for the road to be reconstructed with rolled curb and gutter on both sides of the road, and would like it to be designed and constructed at a width no greater than fourteen (14) feet. The road is currently fourteen (14) feet wide on average, however, there is no curb. Adding curb and constructing the road to this width will result in converting to one-way traffic and allow no on street parking in order to allow emergency vehicles access at all times.

I am recommending that the road be designed and constructed at a width of fourteen (14) feet to minimize the impact on the residents, the lake, and on the City budget. By constructing the road at half of the width of a normal street, the City will spend less than it has on any normal SAD street that has been done in the past.

I recommend the following shared assessment percentages be considered:

- For those owning property on one side of the road, owners shall be assessed for 50 percent of the cost for the concrete curb
- For those owning property on both sides of the road, concrete curb assessment amounts shall be 50 percent of the cost plus an additional 25 percent for the opposite side of the road
- If a property owner should decide to use concrete as an alternate to asphalt for the drive approach, 100 percent of the cost shall be assessed to the property owner.

Adrian City Code Sec. 70-2 indicates that the “City Commission shall have the power to determine that the whole or any part of the cost of any improvement shall be defrayed by special assessment upon the property owner especially benefited.” I strongly urge the City Commission to exercise their power and stray from the past practice on this one-time reduced assessment since this road is unique of any other within the City. I recommend that this does not become standard practice unless another project in the future meets the same level of detail and uniqueness as Ballenberger Road.

We are proposing the establishment of Special Assessment Districts (SAD) for the following street:

<u>STREET</u>	<u>CROSS STREETS</u>	<u>TOTAL COST EST.</u>	<u>ESTIMATED ASSESSMENT</u>
Ballenberger Road	Riverside to Sawmill	\$ 180,000	\$ 30,000

These numbers are based on the recommendations listed above.

Enclosed with this memo are the list of owners who currently own property on Ballenberger Road. It should be noted that following establishment of this SAD we will be placing a curb and gutter lien on the each properties with the Tax Assessor’s office.

I am requesting that at the July 7, 2014 meeting a public hearing be set for the July 21, 2014 City Commission meeting for establishment of this Special Assessment District.

Ballenberger Rd Reconstruction Discussion

Ballenberger
25-Jun-14
5:30 PM

NAME	ADDRESS	E-MAIL	PHONE
Todd Brown	tbrown@adrianmi.gov	135 E. Maumee St. Adrian, MI 49221	Office: 517-264-4829
Timmy ENSOR	jensor2@frontier.com	2060 Ballenberger Rd Adrian	517 403-3640
PHIL JOANISSE	915 Ballenberger	philip.joanisse915@comcast.net	517-759-4387
John Stuebner			
Bill Smith	2040		
May Stovall	446 RIVERSIDE		517-206-4549
Dan Wright	933 Ballenberger	dww1400@Hot mail.com	517-403-9809
Brenda Wright	933 Ballenberger		" "
BRAD PECKE	534 RIVERSIDE		517 2658012

Ballenberger Rd Reconstruction Discussion

NAME	ADDRESS	E-MAIL	PHONE
Deborah Foster	921 Ballenberger Rd	dfoster257@gmail.com	263-7452
ARLEN JUANITA HAYWARD	2911 Ballenberger Rd		265-8609
ALAN Ballenberger	2190 + 2195 Ballenberger Rd	aballenb@hotmail.com	(517) 270-4387

CR14-058

RE: ENGINEERING DEPARTMENT – Set Public Hearing for Establishment of Special Assessment District for Improvements to Ballenberger Road from Riverside Avenue to Sawmill Court

RESOLUTION

WHEREAS, the Project Manager and City Administrator have recommended that Ballenberger Rd. from Riverside Ave. to Sawmill Ct. be improved by the construction of curb & gutter, driveway approaches and other appurtenances on a special assessment basis, will prepare and file plans and specifications for the proposed construction during the 2015 construction year, and has prepared and filed a report and recommendation relating thereto pursuant to the provisions of Section 1.2025 of the Adrian City Code.

NOW, THEREFORE BE IT RESOLVED:

1. That the City Commission deems and declares its intention to improve Ballenberger Rd. from Riverside Ave. to Sawmill Ct.
2. That the estimated cost thereof is \$180,000
3. That \$30,000 of the said estimated cost shall be defrayed by special assessment and \$150,000 shall be paid by local street funds.
4. That the proposed special assessment district shall include the following land and premises:

Special Assessment Properties
Ballenberger Rd from Riverside Ave to Sawmill Ct
5. That special assessment to defray the cost of the proposed improvements shall be levied on the lands and premises within the proposed special assessment district (SAD #388) according to frontage and/or sideage.
6. That the report of the City Administrator be filed with the City Clerk forthwith for public examination.
7. That the City Commission will meet in the City Chambers Building, 159 E. Maumee St., Adrian, MI, at 7:00 p.m. on Monday, July 21, 2014 for the purpose of hearing and considering comments to the proposed improvements of to the inclusion of any property with the proposed special assessment district.
8. That the City Clerk will mail notice of the intent to make said improvements to all interested parties pursuant to the provisions of Section 1.260 of the Adrian City Code.

On motion by Commissioner _____,
 seconded by Commissioner _____,
 this resolution was adopted by a _____ vote.



REGULAR AGENDA

35.00

STREET/PARKING AREA CLOSURE APPLICATION

Applicant Information - please print

Name: Doug Grossman
Mandy's Uptown Bar & Grill

Address: 111 S. MAIN ST.

Daytime Phone: 517 263-8023 Cell: 517 605-7370

Fax: Email: dg3grossman@gmail.com

1. Are you a non-profit organization? NO

2. State requested street or parking area to be closed:
Sidewalk Alleyway Behind Mandy's

3. Purpose for request:
Leit. County Fair sendoff Party

4. Period of time for closing:
9:00 AM Saturday July 26, 2014 - 3:30 AM Sunday July 27, 2014

5. Provide a diagram (including dimensions) for area to be enclosed to show placement of tents, carts, or other items (attach to this application).

6. Set forth any requests for a waiver of any standard conditions set forth in the instructions.

[Empty box for diagram or waiver requests]

STAFF USE ONLY

Number of intersections involved: 0

Number of barricades needed: 0

Are City barricades available? -

Application & barricade fee due: 35.00 pd.

HOLD HARMLESS/INDEMNIFICATION AGREEMENT

THIS AGREEMENT, made this 7th day of July, 2014, between the CITY OF ADRIAN, a Michigan municipal corporation, of 135 East Church Street, Adrian, Michigan 49221, hereinafter referred to as the "City", and Doug Grossman, of Mandy's Uptown Bar and Grill hereinafter referred to as the "Applicant".

RECITALS

1. The Applicant has requested the use of a City street or public parking area, that is owned by the City.
2. The fees involved are for the purpose of covering direct costs and are not designed for any profit to the City.
3. As the City will receive little or no financial benefit for this usage, it is necessary to have the City indemnified and held harmless from any liability or damage claims associated with the use of such area by the Applicant, which is agreeable to the Applicant.

NOW, THEREFORE, inconsideration of the foregoing Recitals and the use of said street or public parking area by the Applicant, it is agreed as follows:

1. The Applicant will have the City named as an additional insured on its liability policy for all activities or events for which it will utilize the street or parking area. Minimum coverage will be One Million (\$1,000,000) Dollars. The City shall be provided a copy of the insurance declaration sheet which shall evidence such coverage.
2. The Applicant shall indemnify and hold the City harmless from any and all liability, claims, damages, costs, and any other expenses, including actual attorney fees incurred, that may be associated or incurred by the City as a result of the Applicant's use of the street or public parking area.

IN WITNESS WHEREOF, the parties have set their hands the day and year first above written.

THE CITY OF ADRIAN

By: Pat Baker

Its: City Clerk

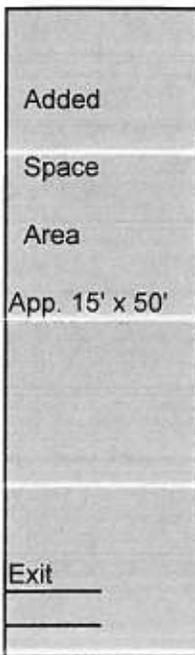
APPLICANT:

Doug Grossman

Doug Grossman

Parking Lot

Sidewalk



Added

Space

Area

App. 15' x 50'

Exit

Hamerman's Furniture

Sidewalk

Rear Entrance

Mandy's Uptown
Bar & Grill

Club
109

Hair Salon

Front Entrance

Sidewalk

Sidewalk

Sidewalk

Main Street



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/13/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Iott Insurance Agency Inc. 9017 E. US 223 P.O. Box 7 Blissfield MI 49228	CONTACT NAME: Blissfield	
	PHONE (A/C. No. Ext.): (517) 486-4381	FAX (A/C. No.): (517) 486-2351
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Home Owners		26638
INSURER B: North Pointe		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES CERTIFICATE NUMBER: 14/15 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			14105871	2/15/2013	2/15/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 1,000,000	
	GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC							
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A	14010108	2/15/2014	2/15/2015	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
B	Liquor Liability			HPLL73912	2/15/2014	2/15/2015	\$50,000 Limit \$50,000 Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 LIMITS SHOWN ARE THOSE IN EFFECT AT POLICY ISSUANCE. Additional insured under the general liability is City of Adrian.

CERTIFICATE HOLDER**CANCELLATION**

City of Adrian 100 E. Church St. Adrian, MI 49221	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE Brian Iott/DANN 

R14-072

July 7, 2014

RE: CITY COMMISSION – Resolution to approve or deny an application for the closure of a street or public parking area.

RESOLUTION

WHEREAS, Mandy’s Uptown Bar & Grill has applied for the closure of the sidewalk alleyway behind Mandy’s from Saturday, July 26, 2014 at 9:00am through Sunday, July 27, 2014 at 3:30am; and

WHEREAS, the City Commission has considered said request including all requested waivers from standard requirements.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the application of Mandy’s Uptown Bar & Grill is hereby (approved/denied).

IT IS FURTHER RESOLVED that requested waivers of standard conditions are (approved/denied).

IT IS FURTHER RESOLVED that the fee for use of City barricades shall be _____ for this event.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution is _____ by a
_____ vote.



MEMO

135 E. Maumee, Adrian, MI 49221-2703

DATE: July 7, 2014

TO: Hon. Jim Berryman, Mayor
City Commission
Shane Horn, City Administrator

FROM: Chris Miller
DDA & Economic Development Coordinator

SUBJECT: Purchase of 133 Marketplace

Ladies and Gentlemen,

I am sending you this memo to express support for the resolution on today's agenda regarding the purchase of 133 Marketplace, a storage building behind the Powerhouse Gym on S. Main, downtown Adrian.

In preparation for the reconstruction and redesign of the Church Street parking lot, the DDA board identified an opportunity to purchase this building from Joe and Mekilah Jenkins. Purchase and demolition of the building will significantly improve the layout of the parking lot as well as provide additional parking.

Mayor Berryman spearheaded the effort to negotiate a purchase price and the DDA Board authorized expending \$30,000 from the DDA Undesignated Fund Balance at their February 12, 2014 DDA Board meeting.

I urge support for this resolution and would be happy to respond to questions or thoughts about it.

Best Regards,

Chris

Chris Miller

DDA & Economic Development Coordinator

MUNICIPAL PURCHASE AGREEMENT

THIS AGREEMENT, made and entered into the 30 day of June, 2014, by Joseph M. Jenkins and Mekilah S. Jenkins of 4350 E. US-223, Adrian, Michigan 49221 (hereinafter referred to as the "Seller") and the Adrian Downtown Development Authority, a public body corporate, of 135 East Maumee Street, Adrian, Michigan 49221, (hereinafter referred to as the "Purchaser");

The Sellers are owners of certain real property including a residential rental building and a tenant parking lot, commonly known as 133 Marketplace, Adrian, Michigan. The legal description is attached hereto as Exhibit "A".

The Seller is desirous of selling said premises to the Purchaser on agreed terms and conditions, and the Purchaser is also agreeable to purchasing said premises on agreed terms and conditions. Therefore, it is mutually agreed between the parties as follows:

1. Purchase Price.

The Seller agrees to sell and the Purchaser agrees to purchase the residential rental building and tenant parking lot owned by the Seller for the sum of Thirty Thousand (\$30,000.00) and no/100 Dollars in cash.

2. Title.

The Seller represents that they own the subject property free and clear of any liens, mortgages or other encumbrances. The Seller shall not be required to furnish any title documentation to the Purchaser. The Seller will furnish to the Purchaser a Quit Claim Deed to the above described property. Purchaser has the option of obtaining title documentation at its own expense if it so chooses.

3. Taxes.

The taxes shall not be prorated.

4. Closing.

The closing shall occur at such a time and date as the parties may agree upon at Adrian City Hall, 135 East Maumee Street, Adrian, Michigan 49221.

5. Condition of the Property.

- a. Purchaser acknowledges that the premises are being sold in an “as is” condition, and that the Seller has made no representations as to the condition of the property.
- b. In order to acknowledge the existence, accuracy, and its understanding of this section, and the fact that the Purchaser has evaluated the present condition of the property and negotiated the purchase price to reflect that condition, Purchaser has signed its initials hereto.

6. Possession.

That Purchaser shall have possession on the date of closing.

7. Time of the Essence.

Time is of the essence of this contract, except that Seller may waive this provision for the purpose of curing title defects.

8. Heirs, Successors and Assigns.

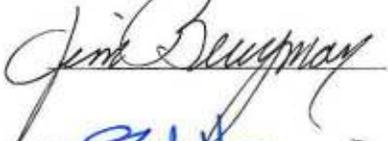
This contract shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, successors and assigns; provided however that Purchaser shall not assign this contract without Seller’s prior written permission.

9. Amendment.

This contract represents the entire agreement between the parties. It may not be amended, altered, or modified unless the party against whom enforcement of any waiver modification or discharge is sought does so in writing.

IN WITNESS HEREOF, parties hereto have signed this agreement the day and year first above written.

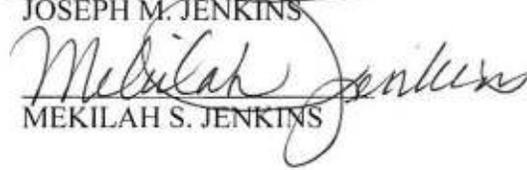
WITNESSES





SELLER



JOSEPH M. JENKINS


MEKILAH S. JENKINS

PURCHASER

ADRIAN DOWNTOWN
DEVELOPMENT AUTHORITY



BY:
ITS:

EXHIBIT "A"

Land described as commencing at a point on the North line of Lot44 on the Plat of the Village (now City) of Adrian, where the said line is intersected by the East line of Fish Alley (so-called); thence East on the North line of said Lot 28 ½ feet; thence South parallel with the said East line of Fish Alley 40 feet; thence West parallel with the North line of ½ foot; thence South parallel with said East line of alley 42 ½ feet; thence West parallel with said North line 28 feet to the East line of said Alley; thence North on said East line 82 ½ feet to the place of beginning.

Commonly known as 133-144 Market Place, Adrian, MI 49221

R14-073

July 7, 2014

**RE: COMMUNITY DEVELOPMENT – Authorize expenditure of DDA
undesignated Fund Balance to purchase 133 Marketplace, Adrian Michigan**

WHEREAS the City of Adrian desires to continue the revitalization of downtown Adrian and provide infrastructure for the convenience of customers and citizens; and

WHEREAS downtown retailers require efficient and well-maintained parking lots and related supports so that they can be competitive with businesses across the community; and

WHEREAS the City of Adrian has embarked on the re-paving and/or renovation of downtown parking lots; and

WHEREAS the Church Street parking lot, between S. Main and Broad, is scheduled to be re-designed and re-built in the 2014 building season; and

WHEREAS 133 Marketplace, a storage building near the South-West corner of that lot is available for purchase; and

WHEREAS the removal of 133 Marketplace will improve the parking lot design and allow for additional public parking; and

NOW THEREFORE BE IT RESOLVED the DDA board has authorized the use of Undesignated Fund Balance monies to purchase 133 Marketplace; and the FY2014-15 Budget be amended as follows:

Revenue:		
280-000.00-697.000	Prior Years Revenue	\$30,000
Expenditure:		
280-836.00-974.000	Capital-Land Purchase	\$30,000

BE IT FURTHER RESOLVED this expenditure requires approval from the City Commission; now

BE IT FURTHER RESOLVED that the City Commission hereby authorizes this expenditure and the budget amendment.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was

_____ by a _____ vote.

CITY OF ADRIAN, MICHIGAN

Employment Agreement for CITY ADMINISTRATOR

AGREEMENT

THIS AGREEMENT is made this ____ day of July, 2014, between the CITY OF ADRIAN, a Municipal Corporation of the State of Michigan, hereinafter referred to as “City”, and Shane A. Horn, hereinafter referred to as the “City Administrator”, and sets forth the employment agreement for the parties as follows:

SECTION 1 – PERIOD OF EMPLOYMENT

This Agreement shall be effective as of July __, 2014 continue for an indefinite period, and may be terminated subject to the provisions of Section 10 of this Agreement.

SECTION 2 – DUTIES OF CITY ADMINISTRATOR

During the period of employment with the City, the City Administrator shall perform the duties of the City Administrator as set out in the applicable statutes of the State of Michigan, the Charter of the City of Adrian, all ordinances and resolutions lawfully enacted, and other such duties as the Commission of the City of Adrian may lawfully assign to the City Administrator.

SECTION 3 – OTHER EMPLOYMENT

The City Administrator shall devote all of his time, attention, knowledge and skills solely in the interest of the City of Adrian, and the City shall be entitled to all benefits arising from or incident to all work, services and advice of the City Administrator.

SECTION 4 – OATH, BOND, PROFESSIONAL LIABILITY INSURANCE and REPRESENTATION BY LEGAL COUNSEL

The City Administrator agrees to execute all oaths and provide all bonds with surety as required by law. The City will continue to maintain for the duration of this agreement, and at current levels of coverage, its public officials liability insurance to protect the City Administrator against claims or actions against his personal property or income for any actions or failures to act in his official capacity. In addition, the City shall provide the City Administrator legal representation as otherwise provided for other city officials and as provided by ordinance, except for malicious, wanton, criminal conduct, arising from the City Administrator’s actions or conduct and/or unless the City Commission determines that the City Administrator was acting outside of the scope of his duties when engaged in the actions or conduct which forms the basis of such charges or claims.

SECTION 5 – HOURS OF WORK

The parties realize that the position of City Administrator requires such position to work weekends, evenings and other irregular hours at locations other than the City's administrative offices and during hours which said offices are not open. It is understood and agreed that the City Administrator shall work whatever hours may be necessary for him to fulfill the requirements of the position of City Administrator, as described herein and otherwise, but in any event, no less than forty (40) hours per week.

SECTION 6 - COMPENSATION

The City Administrator shall receive a salary at an annual rate of Ninety-Eight Thousand three Hundred three (\$98,303) Dollars, (Salary Grade 17 - Step 4 of City Administrator Classification), commencing July 7, 2014. Such salary shall be payable in installments as per the compensation plan generally applicable to other City employees. In addition, the City Commission agrees to review and award base salary step increases to the City Administrator, in such amounts and to the extent as the City Commission shall determine desirable on the basis of their performance and salary review, which is to be accomplished annually. The performance review and evaluation should be discussed with the City Administrator so as to give him the opportunity to improve his abilities and service to the City.

SECTION 7 – OTHER BUSINESS EXPENSE

The City shall reimburse the City Administrator for all other reasonable employment related expenses, subject to any administrative policies concerning such expenses. Such expenses may include, but are not limited to, the following: air travel, taxi and automobile rental, lodging, meals, memberships and subscriptions to the publications of the International City Management Association and the Michigan Management Association, registration fees for training programs offered by such organizations, and travel and incidental costs related to attending such programs or conferences and meetings of such organizations.

SECTION 8 – PROFESSIONAL DEVELOPMENT

The City recognizes its obligation to the professional development of the City Administrator and agrees that he shall be given adequate opportunities to develop his knowledge, skills and abilities as City Administrator. The City Administrator agrees to participate in the professional development activities, provided such participation does not consume a disproportionate amount of time and contributes to a failure to appropriately discharge his duties. Based on funding availability as determined by the City Commission, the City agrees to budget and pay for travel and subsistence expense for attendance at short courses, institutes and seminars that are necessary for professional development and for the good of the City. In addition, the City agrees to budget and pay the professional dues and subscriptions which the City Administrator deems appropriate and necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional growth and development, and for the good of the City.

SECTION 9 - EMPLOYEE BENEFITS

- A. The City Administrator shall be entitled to continue, with any adjustments due to adjusted salary, his medical, dental, life insurance, sick leave, retirement health care savings and the defined benefit pension program that is currently provided non-union City employees. If the City Administrator chooses not to enroll in the City's medical insurance coverage, he shall be entitled to receive payment for waiver of medical insurance coverage in the same amount and under the same terms as is provided for non-union City employees.
- B. For the purpose of computing vacation, sick and personal leave allowances, the City Administrator shall continue to earn time off at a level which is consistent with his years of service to the City (currently at maximum allowable levels), in accordance with City time-off policies.
- C. Except as otherwise provided in this Agreement, the City Administrator shall receive the same benefits as provided to other City (exempt) salaried employees including: vacation, sick and personal leave, group medical insurance benefits, workers' compensation and unemployment insurance benefits, and other insurance, holidays and disability benefits as may be described in the City of Adrian Personnel Rules and Regulations, revised November, 1986, and which may be modified, from time to time, during the course of this Agreement.

SECTION 10 – TERMINATION

The City Administrator shall serve at the pleasure of a majority of the City Commission, and either party may terminate the employment relationship, as described in this Agreement, for any reason, with or without cause. In the event the City Commission exercises its right to terminate the employment of the City Administrator without cause and the City Administrator is willing and able to perform the duties of the City Administrator, the City shall provide the City Administrator with salary, retirement contributions, and continued health and life insurance benefit coverage for up to six (6) months, or until the City Administrator obtains other full-time employment, whichever occurs first, at which time the payments and benefits shall cease, subject to applicable COBRA regulations. All other fringe benefits shall cease upon the date of termination. The salary payments shall be payable in a manner established for regular salary payments.

The City may, however, in the alternative, elect to give the City Administrator six (6) months' notice of termination in lieu of the foregoing payments. The City, at its option, may provide whatever notice of termination period it desires, in which case, the City Administrator shall receive the remaining portion of said six (6) months as salary and benefits. Said notice of termination must be by resolution of the City Commission as a scheduled City Commission meeting. In the event the City elects to give six (6) months' notice of termination, or some lesser period, the City Administrator agrees to continue to fully execute the duties of City Administrator for up to six (6) months following said notice, or until the effective date of his voluntary resignation, whichever occurs first. Further, it is understood and agreed that if the City Administrator is terminated for reasons constituting just cause, the City Administrator shall not be entitled to any of the above benefits.

The City Administrator may terminate this Agreement by giving the City at least sixty (60) days' notice in writing, unless both parties mutually agree that shorter notice is acceptable

SECTION 11 – ARBITRATION

It is mutually agreed between the City Administrator and the City that arbitration shall be the sole and exclusive remedy to redress any dispute, claim or controversy (“grievance”) involving the interpretation of this Agreement or the terms, conditions or termination of this Agreement. It is the intention of the parties that the arbitration decision will be final and binding and that any and all grievances shall be disposed of as follows:

1. Any and all grievances must be submitted in writing by the aggrieved party;
2. Within thirty (30) days following submission of the written grievance, the party to whom the grievance is submitted shall respond in writing. If no written response is submitted within thirty (30) days, the grievance shall be deemed denied;
3. If the grievance is denied, either party may, within thirty (30) days of such denial, refer the grievance to arbitration in Adrian, Michigan. The arbitrator shall be chosen in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association then in effect, and the expense of the arbitration shall be shared equally by the City and the City Administrator;
4. Any grievance shall be deemed waived unless presented within the time limits specified above. The arbitrator shall not have jurisdiction or authority to change, add to or subtract from any of the provisions of this Agreement. The arbitrator’s sole authority shall be to interpret or apply the provisions of this Agreement. The parties hereby acknowledge that since arbitration is the exclusive remedy with respect to any grievance hereunder, neither party has the right to resort to any federal, state or local court or administrative agency concerning breaches of this Agreement and that the decision of the arbitrator shall be a complete defense to any suit, action or proceeding instituted in any federal, state or local court or before any administrative agency with respect to any dispute which is arbitrable as herein set forth. The arbitration provisions hereof shall, with respect to any grievance, survive the termination or expiration of this agreement.

SECTION 12 – GOVERNING LAW

In view of the fact that the City is a municipal corporation of the State of Michigan, it is understood and agreed that the construction and interpretation of this agreement shall, at all times and in all respects, be governed by the laws of the State of Michigan.

SECTION 13 – ENTIRE AGREEMENT

This Agreement contains the entire agreement and understanding by and between the City of Adrian and the City Administrator with respect to his employment, and no representations, promises, contracts or understandings, written or oral, not contained herein, shall be of any force or effect. No change or modification of this Agreement shall be valid or binding unless it is in writing and signed by the party intending to be bound. No waiver of any provisions of this Agreement shall be valid unless it is in writing and signed by the party against whom the waiver

is sought to be enforced. No valid waiver of any provision of this Agreement, at any time, shall be deemed a waiver of any other provision of this Agreement at such time or at any other time.

SECTION 14 – PROHIBITION AGAINST ASSIGNMENT

The City Administrator agrees on behalf of himself and his executors, administrators heirs, legatees, distributes and any other person or persons claiming any benefit under him by virtue of this Agreement, that this Agreement and the rights, interests and benefits hereunder shall not be assigned, transferred or pledged in any way.

SECTION 15 – SEVERABILITY OF INVALID PROVISION

The provisions of this Agreement shall be deemed severable; the invalidity or unenforceability of any one or more of the provisions of this Agreement shall not affect the validity or enforceability of other provisions. The Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

The City hereby employs City Administrator, and the City Administrator hereby accepts employment, upon and subject to the terms and conditions herein set forth.

IN TESTIMONY WHEREOF, the parties hereto have executed this Agreement in duplicate originals upon this _____ day of July, 2014.

CITY OF ADRIAN
A Michigan Municipal Corporation

By: _____
Jim Berryman, Mayor

By: _____
Pat Baker, City Clerk

By: _____
Heather Lasky, Human Resource Director

Shane A. Horn, City Administrator

Witnesses:

APPROVED: _____
Sarah K. Osburn, City Attorney

July 7, 2014

R14-074

RE: CITY COMMISSION – City Administrator Employment Agreement

RESOLUTION

WHEREAS, the appointment of Shane A. Horn as the Acting City Administrator/Utilities Director was approved by the Adrian City Commission, by Resolution R13-235 dated November 25, 2013; and

WHEREAS, by Resolution R14-011 dated January 21, 2014, the Adrian City Commission approved an employment agreement with the Acting City Administrator/Utilities Director

WHEREAS, the Adrian City Commission unanimously approved the appointment of Shane A. Horn as the City Administrator at the March 6, 2014 Special Meeting; and

WHEREAS, an Employment Agreement for the dedicated position of City Administrator has been prepared and reviewed by the City's Attorney, Sarah Osburn and Human Resource Director, Heather Lasky; and

WHEREAS, said Employment Agreement has been carefully considered by the Adrian City Commission.

NOW, THEREFORE, BE IT RESOLVED, that the City Commission does hereby approve the Employment Agreement between Shane A. Horn and the City of Adrian and further authorizes the Mayor and City Clerk to execute said contract on behalf of the City of Adrian.

On motion by Commissioner _____,

Seconded by Commissioner _____, this

Resolution was adopted by a _____ vote.

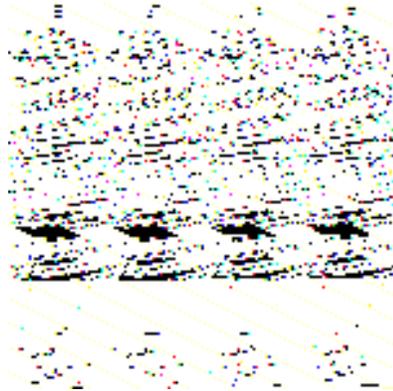
June 28, 2014

MEMORANDUM

TO: Shane Horn, City Administrator

FROM: Todd Brown, Project Manager

SUBJECT: Church Street Parking Lot Lighting



The City received one (1) bid on June 19, 2014 for design/build for the Church Street Parking Lot Lighting Project:

It is recommended that this contract be awarded to the sole bidder, **Brint Electric of Adrian, MI** in the amount of **\$29,000.00**. Brint has worked for the City on other lighting projects in the past and have performed very well.

Funds for these projects are available in the Auto Parking Fund, as approved in the Capital Outlay Budgets for FY2014-15:

585-546.00-975.000 - \$29,000.00 Capital Improvements

CITY OF ADRIAN, MICHIGAN
 BID TABULATION
 CHURCH STREET PARKING LOT
 HMA & CONCRETE
 DUE DATE: June 24, 2014

Item	Gerken Paving Napoleon OH	American Asphalt Lansing, MI	Slusarski Paving Adrian, MI	Quality Asphalt Homer, MI	Mich Paving Jackson MI
HMA, 3C 660 ton	\$70.50 \$46,530.00	\$79.85 \$52,635.00	\$77.50 \$51,150.00	\$82.12 \$54,200.00	\$95.00 \$62,700.00
HMA, 4C 660 ton	\$80.00 \$52,800.00	\$84.75 \$55,935.00	\$82.50 \$54,450.00	\$82.12 \$54,200.00	\$98.00 \$64,680.00
C&G, Conc B2 1870 ft	\$22.00 \$41,140.00	\$21.75 \$40,672.50	\$25.00 \$46,750.00	\$27.50 \$51,425.00	\$18.25 \$34,127.50
Sidewalk 4in 325 sf	\$5.00 \$1,625.00	\$4.00 \$1,300.00	\$5.50 \$1,787.50	\$6.05 \$1,966.25	\$3.75 \$1,218.75
Driveway 6in 25 sy	\$50.00 \$1,250.00	\$40.00 \$1,000.00	\$55.00 \$1,375.00	\$19.80 \$495.00	\$38.25 \$956.25
Sidewalk 6in 300 sf	\$5.50 \$1,650.00	\$5.00 \$1,500.00	\$6.00 \$1,800.00	\$6.05 \$1,815.00	\$4.25 \$1,275.00
Sidewalk, Rem 69 sy	\$20.00 \$1,380.00	\$18.00 \$1,242.00	\$6.00 \$414.00	\$19.80 \$1,366.20	\$25.00 \$1,725.00
Pavt, Rem 25 sy	\$45.00 \$1,125.00	\$18.00 \$450.00	\$17.00 \$425.00	\$19.80 \$495.00	\$150.00 \$3,750.00
Pavt Mrkg 4in White, dry 3505 ft	\$0.70 \$2,453.50	\$0.18 \$630.90	\$0.30 \$1,051.50	\$0.15 \$525.75	\$0.50 \$1,752.50
Pavt Mrkg 2 nd application 3505 ft	\$0.20 \$701.00	\$0.15 \$525.75	\$0.20 \$701.00	\$0.12 \$420.60	\$0.50 \$1,752.50
Pavt Mrkg, Cold Plastic, Access Sym 6 ea	\$125.00 \$750.00	\$150.00 \$900.00	\$250.00 \$1,500.00	\$125.00 \$750.00	\$500.00 \$3,000.00
Pavt Mrkg,	\$0.80	\$0.18	\$0.30	\$0.15	\$10.00

Water, Rest Areas, 4in blue 200 ft	\$160.00	\$36.00	\$60.00	\$30.00	\$2,000.00
GRAND TOTAL	\$151,564.50	\$156,827.15	\$161,464.00	\$167,688.80	\$178,937.50

R14-075

July 7, 2014

RE: **ENGINEERING– Church Street Parking Lot Lighting.**

RESOLUTION

WHEREAS, on behalf of the Engineering Department, the City of Adrian Purchasing Office has solicited and received bids on Thursday, June 19, 2014 for design/build for the Church Street Parking Lot Lighting; and

WHEREAS, in response to a Request-for-Proposal, a total of one (1) bid was received from the following vendor on Thursday, June 19, 2014 (specific details are provided in the attached cover memo):

<u>Vendor</u>	<u>Location</u>
Brint Electric, Inc	Adrian, MI

; and

WHEREAS, the Project Manager and City Administrator recommend the contract to be awarded to the single low bid vendor and distribution of cost to the following account:

Brint Electric, Inc Adrian, MI	Total Cost \$29,000.00
--------------------------------	------------------------

; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose in the FY2014-15 (585-546.00-975.000), as detailed above, for a total cost estimated at \$29,000.00.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the acceptance of the low bid and engagement of Brint Electric, Inc in the City’s Standard Professional Services Contract to provide design/build for the aforementioned parking lot at a total cost estimated at \$29,000.00.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was adopted by a
_____ vote.

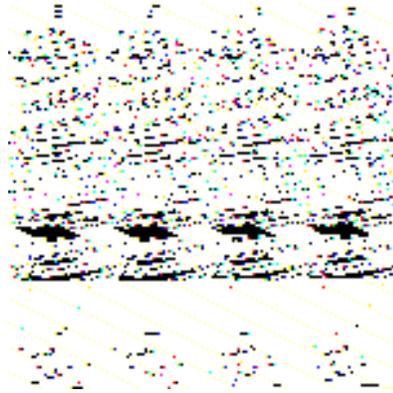
June 28, 2014

MEMORANDUM

TO: Shane Horn, City Administrator

FROM: Todd Brown, Project Manager

SUBJECT: Church Street Parking Lot Paving & Concrete Bids



The City received 5 bids on June 24, 2014 for paving and concrete work for the Church Street Parking Lot:

It is recommended that this contract be awarded to the low bidder, **Gerken Paving of Napoleon, OH** in the amount of **\$151,564.50**. There were no bidders on this contract that met the requirements of the City's Local Preference Policy. Gerken has worked for the City on other paving projects in the past and have performed very well.

Funds for these projects are available in the Auto Parking funds, as approved in the Capital Outlay Budgets for FY2014-15:

585-546.00-975.000 - \$151,564.50 Capital Improvements

CITY OF ADRIAN, MICHIGAN
 BID TABULATION
 CHURCH STREET PARKING LOT
 HMA & CONCRETE
 DUE DATE: June 24, 2014

Item	Gerken Paving Napoleon OH	American Asphalt Lansing, MI	Slusarski Paving Adrian, MI	Quality Asphalt Homer, MI	Mich Paving Jackson MI
HMA, 3C 660 ton	\$70.50 \$46,530.00	\$79.85 \$52,635.00	\$77.50 \$51,150.00	\$82.12 \$54,200.00	\$95.00 \$62,700.00
HMA, 4C 660 ton	\$80.00 \$52,800.00	\$84.75 \$55,935.00	\$82.50 \$54,450.00	\$82.12 \$54,200.00	\$98.00 \$64,680.00
C&G, Conc B2 1870 ft	\$22.00 \$41,140.00	\$21.75 \$40,672.50	\$25.00 \$46,750.00	\$27.50 \$51,425.00	\$18.25 \$34,127.50
Sidewalk 4in 325 sf	\$5.00 \$1,625.00	\$4.00 \$1,300.00	\$5.50 \$1,787.50	\$6.05 \$1,966.25	\$3.75 \$1,218.75
Driveway 6in 25 sy	\$50.00 \$1,250.00	\$40.00 \$1,000.00	\$55.00 \$1,375.00	\$19.80 \$495.00	\$38.25 \$956.25
Sidewalk 6in 300 sf	\$5.50 \$1,650.00	\$5.00 \$1,500.00	\$6.00 \$1,800.00	\$6.05 \$1,815.00	\$4.25 \$1,275.00
Sidewalk, Rem 69 sy	\$20.00 \$1,380.00	\$18.00 \$1,242.00	\$6.00 \$414.00	\$19.80 \$1,366.20	\$25.00 \$1,725.00
Pavt, Rem 25 sy	\$45.00 \$1,125.00	\$18.00 \$450.00	\$17.00 \$425.00	\$19.80 \$495.00	\$150.00 \$3,750.00
Pavt Mrkg 4in White, dry 3505 ft	\$0.70 \$2,453.50	\$0.18 \$630.90	\$0.30 \$1,051.50	\$0.15 \$525.75	\$0.50 \$1,752.50
Pavt Mrkg 2 nd application 3505 ft	\$0.20 \$701.00	\$0.15 \$525.75	\$0.20 \$701.00	\$0.12 \$420.60	\$0.50 \$1,752.50
Pavt Mrkg, Cold Plastic, Access Sym 6 ea	\$125.00 \$750.00	\$150.00 \$900.00	\$250.00 \$1,500.00	\$125.00 \$750.00	\$500.00 \$3,000.00

Pavt Mrkg, Water, Rest Areas, 4in blue 200 ft	\$0.80 \$160.00	\$0.18 \$36.00	\$0.30 \$60.00	\$0.15 \$30.00	\$10.00 \$2,000.00
GRAND TOTAL	\$151,564.50	\$156,827.15	\$161,464.00	\$167,688.80	\$178,937.50

R14-076

RE: ENGINEERING– CHURCH STREET PARKING LOT PAVING & CONCRETE

RESOLUTION

WHEREAS, on behalf of the Engineering Department, the City of Adrian Purchasing Office has solicited and received bids on Tuesday, June 24, 2014 for paving and concrete construction for the Church Street Parking Lot; and

WHEREAS, in response to a Request-for-Proposal, a total of five (5) bids were received from the following vendors on Tuesday, June 24, 2014 (specific details are provided in the attached cover memo):

<u>Vendor</u>	<u>Location</u>
Gerken Paving	Napoleon, OH
American Asphalt	Lansing, MI
Slusarski Excavating & Paving	Adrian, MI
Quality Paving	Homer, MI
Michigan Paving	Jackson, MI

; and

WHEREAS, the Project Manager and City Administrator recommend the contract to be awarded to the single low bid vendor and distribution of cost to the following account:

FY2014-15

Gerken Paving, Napoleon, OH

Total Cost: \$151,564.50 (Account 585-546.00-975.000) Capital Improvements

; and

WHEREAS, the Finance Director indicates that sufficient funds are available for this purpose, as detailed above, for a total cost estimated at \$151,564.50.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission, by this resolution, hereby authorizes the acceptance of the low bid and engagement of Gerken Paving, Napoleon, OH in the City’s Standard Professional Services Contract to provide asphalt paving and concrete work for the aforementioned parking lot at a total cost estimated at \$151,564.50.

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was adopted by a
_____ vote.



MEMORANDUM – UTILITIES DEPARTMENT

DATE: July 2, 2014

TO: Shane Horn, City Administrator

FROM: William Sadler, Utilities Director

SUBJECT: Water Meter Repair and Replacement

We received a quote from Michigan Meter, Inc. of Madison Heights, Michigan to provide and install new meters at several commercial/industrial locations around the city. These meters range in size from 1½ to 4 inches. We have utilized Neptune Technology Group as our water meter equipment supplier exclusively for the last 37 years. Our current meter reading equipment and billing software is designed exclusively for the use of Neptune water meter technology. Michigan Meter is the sole authorized distributor for Neptune Water Meter products in the State of Michigan. Michigan Meter's quote for this water meter replacement project totals \$23,550.10. Based upon Michigan Meter's designation as the sole distributor of Neptune products in Michigan, I respectfully recommend that the bid process be waived and that we proceed with this Water Meter Replacement Project with Michigan Meter, Inc. of Madison Heights, MI for a total of \$23,550.10. Funds for this project have been budgeted in the 2013-14 Water Fund Capital Budget (496-531.00-977.504).

RE: **DEPARTMENT OF UTILITIES – Authorization to Purchase and Install Water Meters**

RESOLUTION

WHEREAS the Utilities Department has an ongoing water meter upgrade and replacement program that consolidates all purchases from the same vendor to provide economies due to consistent technology and parts inventory; and

WHEREAS Michigan Meter, Madison Heights, MI is the sole authorized supplier of Neptune Water Meter products in Michigan, which the City has used for several years; and.

WHEREAS the Utilities Director recommends that the City’s best interests would be served by waiving the bid process to complete another water meter replacement project from Michigan Meter; and

WHEREAS sufficient funds are available in the FY2013-14 Water Capital Project Fund (#496) Budget to cover the cost of these meters, specifically:

(496-531.00-977.504)	Meter Replacement	\$23,550.10
	Total	<u>\$23,550.10</u> ; and

WHEREAS the City Administrator recommends approval of this resolution.

NOW THEREFORE BE IT RESOLVED that the Adrian City Commission by this resolution hereby authorizes the purchase and installation of water meters from Michigan Meter, Madison Heights, MI in amount of \$23,550.10 with funds for this project designated in the Water Capital Project Fund (#496) Budget, specifically:

(496-531.00-977.504)	Meter Replacement	\$23,550.10
	Total	<u>\$23,550.10</u>

BE IT FURTHER RESOLVED that, in the best interests of the City and in accordance with the provisions of Chapter 12 of the City Charter and Chapter 9 of the Codified City Ordinances, the competitive bid process be waived.

On motion by Commissioner _____, seconded by Commissioner _____, this resolution was adopted by a _____ vote.

MEMO



DATE: July 2, 2014

TO: Honorable Mayor and City Commission

FROM: Shane A. Horn, City Administrator

SUBJECT: Cost of Living Pay Increase

Historically, annual City budgets have included cost of living adjustments for non-union employees. In addition, annual budgets typically included payments for cost of living increases that had been agreed to in negotiations with employees represented by the union. Since 2008, this practice has not occurred, except for a 1% increase in pay over this time frame. In addition City employees now pay significantly more for their portion of healthcare premiums. Furthermore, the number of City employees has been drastically reduced, causing increased responsibilities for literally all City employees without further compensation.

The City has recently reached a settlement agreement on a 4-year labor contract with POAM (Police Officers Association of Michigan) which includes a 1% cost-of-living pay increase. We have also reached a settlement agreement on a 3-year labor contract with local 1511 IAFF (International Association of Firefighters) which included a “me too” clause for any cost-of-living increase given to non-union or any other city employees.

Historically, non-union city employees have received the same cost-of-living increase as the union members. I respectfully recommend that the 1% cost-of-living increase be made available to all full time non-union employees, all regular part-time employees and members of TPOAM (DPW, Parks & Utilities). TPOAM has a “me too” clause for any increase given to non-union employees.

I believe it is important to recognize the work and sacrifices of our employees over the past several years and believe it is appropriate to expend a portion of our budget for this purpose. The expected total cost to the General Fund is \$59,689. The cost for the Utilities Fund and other non-General Fund accounts is \$25,876. This adjustment will occur as of the second pay period in July 2014. The 2014-15 budget did not include any wage increase. A corresponding budget amendment will be made for this expense. A resolution is attached for your consideration.

RESOLUTION

RE: ADMINISTRATION – Authorization of a 1% cost-of-living pay increase to non-union employees, all classified regular part time employees, employees represented by the local 1511 of the IAFF, and employees represented by the TPOAM

WHEREAS, City of Adrian budgets since 2008 have only provided for a 1% pay increases for cost of living adjustments due to reduced tax revenues and reduced revenues from the State of Michigan; and

WHEREAS, the City has negotiated a bargaining agreement with employees represented by the Police Officers Association of Michigan (POAM) which included a 1% cost-of-living adjustment; and

WHEREAS, the City has also negotiated a bargaining agreement with employees represented by the local 1511 of the International Association of Firefighters (IAFF) wherein said employees would be provided with any pay increases made to City non-union or other employees; and

WHEREAS, the City Administrator has recommended that the current year’s budget be amended to compensate all City non-union employees, all classified regular part time City employees, employees in local 1511 of the IAFF, and employees in the TPOAM bargaining unit with the same 1% cost-of-living increase; and

WHEREAS, the Finance Director indicates that the total cost associated with the 1% cost-of-living adjustment amounts to \$85,565 (\$59,689 General Fund portion and \$25,876 for Utilities and non-General Fund).

NOW, THEREFORE, BE IT HEREBY RESOLVED that based on the recommendation of the City Administrator, a 1% cost-of-living adjustment is hereby authorized for the following employees of the City of Adrian as of July 1, 2014 as follows: non-union employees, classified regular part time employees, employees represented by POAM, local 1511 of the IAFF, and employees represented by the TPOAM, and that an adjustment will be completed in the First Quarter FY2014-15 Budget Amendments.

On motion by Commissioner _____, seconded by Commissioner _____, this resolution was adopted by a _____ vote.

MEMO



DATE: July 2, 2014

TO: Honorable Mayor and City Commission

FROM: Shane A. Horn, City Administrator

SUBJECT: Planned Unit Development – Gaslight Village Senior Assisted Living

The Adrian City Planning Commission, at their June 10, 2014 regular meeting voted unanimously to approve with contingencies, the Final Development Plan for the Gaslight Village Senior Assisted Living complex to be located at 2625 North Adrian Highway. This development will occupy approximately 8 acres on the Witt Farm property and is zoned Planned Unit Development (PUD).

According to Article XI Planned Unit Development Section 11.28 states that within sixty (60) days after receipt of final recommendation of the Planning Commission, the City Commission shall either approve, approve with supplementary conditions, or disapprove the application as presented. If the application is approved or approved with conditions, the City Commission shall direct the Building Inspector to issue building permits only in accordance with the approved final development plan.

I respectfully recommend that the application from Gaslight Village Senior Assisted Living for a 37-unit assisted living facility with a gross floor area of 30,405 square feet with the possible addition of two additional wings of about 20 rooms each be approved based upon internal staff site-plan review and Planning Commission approval.

July 2, 2014

Honorable Mayor
and City Commissioners

At their June 10, 2014, meeting the Adrian City Planning Commission voted unanimously to approve with contingencies, the Final Development Plan for the Gaslight Village Senior Assisted Living, which will be located 2625 North Adrian Highway.

This is a portion of the former Witt Farm, which is zoned PUD Planned Unit Development. This is a straightforward development project since there are no multiple buildings or mixed uses involved.

The proposed use would be for a single-story 35 room assisted living facility with the possible addition of two future wings of about 20 rooms each. The size of the parcel is 8 acres and was purchased from the City of Adrian.

City staff reviewed the site plan on June 6, and found a number of deficiencies. These deficiencies are noted on the Staff Analysis dated June 6, 2014, which is attached. During this meeting it was noted that the City and the developer have reached an agreement to bring water to the site, with sanitary service to be provided by Adrian Township.

During the meeting the Planning Commission could see no objections to this proposal. There were no comments from the audience or telephone calls or written communications received pertaining to this matter.

Based on the fact that there were no objections to this proposal, nor were there any issues in meeting the criteria mentioned in Section 11.27, the Planning Commission moved to recommend approval of this final development plan to the City Commission with contingencies.

Respectfully submitted,

Denise Cook, Secretary



STAFF ANALYSIS

ADRIAN CITY PLANNING COMMISSION

DATE: June 6, 2014

CASE: 14-002

APPLICANT: Mr. Neil Kraay and Mr. James E. Johnson
Gaslight Village Senior Assisted Living, LLC
3196 Kraft Avenue, SE – Suite 200
Grand Rapids, MI 49512

REQUEST: PUD Final Development Plan

SUBJECT PARCEL(S): Witt Farm - Approximate 8 Acre Site

DESCRIPTION OF REQUEST:

Applicant proposes to construct a 37-room senior assisted living facility, with a gross floor area of 30,405 square feet. There are two future additions planned for this facility. The location of the waste receptacle and storage shed would be at the front of the property. The site selected is the southwest corner of City owned property, more commonly known as the Witt Farm. This is wooded acreage that was a former homestead but is not vacant and blighted. The proposed site would consist of about 8 acres and would front along North Adrian Highway (M-52). The property at 2577 North Adrian Highway, a former counseling office and modular home sales site now vacant, sits between this proposed location and the MDOT maintenance garage.

EXISTING LAND USE/ZONING:

Existing zoning for the subject property is PUD Planned Unit Development. The zoning designations for the surrounding properties are as follows:

North: Adrian Township – residential use
South: Adrian Township – commercial use
West: Adrian Township – residential use
East: PUD Planned Unit Development - Witt Farm

FUTURE LAND USE:

The City of Adrian Future Land Use Map shows this parcel's designation as "Flexible Development Area".

ARTICLE XI – PLANNED UNIT DEVELOPMENT

SECTION 11.26 RECOMMEDATION BY PLANNING COMMISSION: Within sixty (60) days after receipt of the final development plan, the Planning Commission shall recommend to the City Commission that the final development plan be approved as presented, approved with supplementary conditions, or disapproved. The Planning Commission shall then transmit all papers constituting the record and the recommendations to the City Commission.

SECTION 11.27 CRITERIA FOR RECOMMENDATIONS BY PLANNING COMIMSSION: Before making its recommendation as required in Section 11.26, the Planning Commission shall find that the facts submitted with the application and presented at the public hearing establish that:

1. The proposed development can be initiated within two (2) years of the date of approval.
2. Each individual unit of the development, as well as the total development, can exist as an independent unit capable of creating an environment of sustained desirability and stability or that adequate assurance will be provided that such objective will be attained; the uses proposed will not be detrimental to present and potential surrounding uses, but will have a beneficial effect which could not be achieved under standard district regulations.
3. The streets and thoroughfares proposed are suitable and adequate to carry anticipated traffic, and increased densities will not generate traffic in such amounts as to overload the street network outside the planned unit development.
4. Any proposed commercial development can be justified at the locations proposed.
5. Any exception from standard district requirements is warranted by the design and other amenities incorporated in the final development plan, in accord with the planned unit development and the adopted policy of the Planning Commission and the City Commission.
6. The area surrounding said development can be planned and zoned in coordination and substantial compatibility with the proposed development.
7. The planned unit development is in general conformance with the land use land of the City.
8. The existing and proposed utility services are adequate for the population densities and nonresidential uses proposed.

On June 10, 2014, the final development plans were reviewed by Community Development, Inspection, Utilities, Engineering and the Fire Department. There were deficiencies as follows:

1. Plans should be stamped and signed and have name of owner and design professional
2. Use Group should be indicated (a previous plan showed a I-2 Use Group)
3. Show building height
4. Show impervious/previous for storm water
5. Show turn-radius details for Fire Department
6. Show "No Parking" signage by turn-radius

7. Fire Department connections looks to be blocked by transformer – needs to be visible from parking lot.
8. Pressure test required for new hydrant
9. Parking lot – need to submit evidence to Planning Commission to support a reduced number of parking spaces (Section 4.37 (H))
10. Show proposed grading for site water that would not flow toward detention basin
11. Provide calculations on detention basin for 10 year storm

The PUD District does not specify how signage would be determined (Section 11.2) and the sign regulations do not mention the PUD District.

RESOLUTION

WHEREAS, a request for a PUD Final Development Plan to allow an assisted living facility on a portion of the Witt Farm on North Adrian Highway (M-52) has been submitted; and

WHEREAS, the subject parcel's Zoning District designation is PUD Planned Unit Development; which would permit this proposed use; and

WHEREAS, the placement of the main building, accessory building and waste receptacle has been considered and found to meet the intent of the Planned Unit Development District; and

WHEREAS, the Community Development Department has conducted a review of the applicant's request in accordance with the standards found in the City of Adrian Zoning/Development Regulations that pertain to process and approval requirements; and

WHEREAS, the proposed use is acceptable in this PUD Planned Unit Development and would not adversely affect adjacent property, public health, safety and general welfare; and

WHEREAS, the proposed planned unit development is in general conformance with the land use of the City.

WHEREAS, the existing and proposed utility services are adequate for the population densities and use proposed.

NOW THEREFORE BE IT RESOLVED that the Adrian City Planning Commission accepts the review and analysis conducted by the Community Development Department; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission has considered the criteria to permit such use and development; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission finds that the application is in compliance with the standards of Article XI – Planned Unit Development as found in the Zoning/Development Regulations; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission hereby approves the Preliminary Development Plan as proposed with the following contingencies:

1. Plans should be stamped and signed and have name of owner and design professional
2. Use Group should be indicated (a previous plan showed a I-2 Use Group)

3. Show building height
4. Show impervious/previous for storm water
5. Show turn-radius details for Fire Department
6. Show "No Parking" signage by turn-radius
7. Fire Department connections looks to be blocked by transformer – needs to be visible from parking lot.
8. Pressure test required for new hydrant
9. Parking lot – need to submit evidence to Planning Commission to support a reduced number of parking spaces (Section 4.37 (H))
10. Show proposed grading for site water that would not flow toward detention basin
11. Provide calculations on detention basin for 10 year storm

On motion by Planning Commission Member _____, seconded by
Planning Commission Member _____, this resolution was adopted
by a _____ vote.

Dave Pate, Building Official

ADRIAN CITY PLANNING COMMISSION

JUNE 10, 2014

REGULAR MEETING

MINUTES

The regular meeting of the Adrian City Planning Commission was called to order by Vice Chair Watson at 7:00 p.m. in the City Chambers at 159 East Maumee Street.

Present: Brian Watson Vice Chair
 Jeff Rising City Commissioner
 Mel Dye
 Marilyn Schebil
 Don Taylor

Also Present: Dave Pate Building Official

Absent: Mike Jacobitz Chair
 Tom Blanton
 Chad Johnson
 Nancy Weatherby

APPROVAL OF MINUTES OF THE
MAY 6, 2014, REGULAR MEETING

There were no corrections or additions to the minutes. Commissioner Taylor moved that the Minutes of the May 6, 2104, regular meeting be approved as presented. Commissioner Schebil supported. Motion carried unanimously.

CASE NO. 14-002
PUBLIC HEARING TO HEAR AND CONSIDER COMMENTS TO A
PUD FINAL DEVELOPMENT PLAN
FOR AN ASSISTED LIVING FACILITY
ON NORTH ADRIAN HIGHWAY

Mr. Greg Saxton, representing the developer J. E. Johnson, Inc., was present for this meeting. He was in receipt of the staff analysis and was in agreement with deficiencies, which will be addressed tomorrow morning. There were no comments from the audience. No telephone calls or written communications were received. There were no questions from the Commission. Commissioner Schebil moved that the Planning Commission adopt the following resolution in support of this request.

RESOLUTION

WHEREAS, a request for a PUD Final Development Plan to allow an assisted living facility on a portion of the Witt Farm on North Adrian Highway (M-52) has been submitted; and

WHEREAS, the subject parcel's Zoning District designation is PUD Planned Unit Development; which would permit this proposed use; and

WHEREAS, the placement of the main building, accessory building and waste receptacle has been considered and found to meet the intent of the Planned Unit Development District; and

WHEREAS, the Community Development Department has conducted a review of the applicant's request in accordance with the standards found in the City of Adrian Zoning/Development Regulations that pertain to process and approval requirements; and

WHEREAS, the proposed use is acceptable in this PUD Planned Unit Development and would not adversely affect adjacent property, public health, safety and general welfare; and

WHEREAS, the proposed planned unit development is in general conformance with the land use of the City.

WHEREAS, the existing and proposed utility services are adequate for the population densities and use proposed.

NOW THEREFORE BE IT RESOLVED that the Adrian City Planning Commission accepts the review and analysis conducted by the Community Development Department; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission has considered the criteria to permit such use and development; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission finds that the application is in compliance with the standards of Article XI – Planned Unit Development as found in the Zoning/Development Regulations; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission hereby approves the Final Development Plan as proposed with the following contingencies:

1. Plans should be stamped and signed and have name of owner and design professional
2. Use Group should be indicated (a previous plan showed a I-2 Use Group)
3. Show building height
4. Show impervious/previous for storm water
5. Show turn-radius details for Fire Department

6. Show "No Parking" signage by turn-radius
7. Fire Department connections looks to be blocked by transformer – needs to be visible from parking lot.
8. Pressure test required for new hydrant
9. Parking lot – need to submit evidence to Planning Commission to support a reduced number of parking spaces (Section 4.37 (H))
10. Show proposed grading for site water that would not flow toward detention basin
11. Provide calculations on detention basin for 10 year storm

Commissioner Taylor supported. A roll call vote was made.

In Favor of Motion: Rising, Schebil, Dye, Taylor, Watson

Against Motion: none

Motion carried unanimously.

CASE NO. 14-006
SITE PLAN REVIEW FOR
ADRIAN COLLEGE, 110 SOUTH MADISON STREET

Mr. Mike Duffy, Athletic Director for Adrian College, was present for this meeting. Also present was Jason Hess from Krieghoff Lenawee, Jeremiah Hatfield from Design Collaborative; and Mike Reinhard from Engineering Resources. The applicant has submitted a site plan for the construction of a one-level 17,550 square foot addition along the south side of the Merillat Sport & Fitness Center. This will serve as a weight room and work-out room. Mr. Hatfield talked about the ratio of bathroom facilities servicing both the Merillat Center and the Stadium; and as long as the both of these buildings are not being used at the same time, the bathroom facilities will meet code. The plan is to use the existing bathroom facilities in the Merillat Center and not include any in this new addition. There will be a loss of 4 parking spaces with this addition because of the turning radius for fire trucks. There were no comments from the audience. No telephone calls or written communications were received. There was no further discussion from the Commission. Commissioner Dye moved that the Planning Commission adopt the following resolution to approve this site plan as presented:

RESOLUTION

WHEREAS, Adrian College has submitted a request for Site Plan Review and Approval for the construction of a one-story addition to the Merillat Sport & Fitness Center for Adrian College at 110 South Madison Street; and

WHEREAS, the zoning district of the subject parcel is designated as ERO Education, Research and Office, which allows the proposed use; and

WHEREAS, the City of Adrian Comprehensive Plan designates this parcel to be Quasi-Public; and

WHEREAS, the Community Development Department has conducted a review of the applicant's request in accordance with the review standards found in the Zoning/Development Regulations, Section 4.6, pertaining to site plan review and approval; and

NOW THEREFORE BE IT RESOLVED that the Adrian City Planning Commission accepts the review and analysis conducted by the Community Development Department; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission finds that the application is in general compliance with the standards for Site Plan Review and Approval; and

BE IT FURTHER RESOLVED that the Adrian City Planning Commission approves the submitted Site Plan as presented under Case No. 14-006 for Parcel XA0-850-0147-00.

Commissioner Taylor supported. A roll call vote was made.

In Favor of Motion: Schebil, Dye Taylor, Rising, Watson

Against Motion: none

Motion carried unanimously.

PRESENTATION BY MR. MIKE RILEY
ON ELECTRONIC SIGNS IN RESIDENTIAL DISTRICTS

Mr. Riley, IEH of Michigan, was present. He talked about the reason for LED message signs and that the changeable copy signs are going by the wayside. The sign regulations prohibit electronic message signs in the residential districts (Section 30.40 A). The Commission will discuss this issue at their July meeting. No action taken by the Commission.

SET PUBLIC HEARING TO HEAR AND CONSIDER COMMENTS TO
REZONING THE REAR PORTION OF
1280 NORTH MAIN STREET
FROM RM-1 MULTIPLE FAMILY RESIDENTIAL TO
B-2 COMMUNITY BUSINESS

Commissioner Schebil moved that the Planning Commission set a public hearing to hear and consider comments to rezoning the rear of 1280 North Main Street from RM-1 Multiple Family Residential to B-2 Community Business. Commissioner Taylor supported. Motion carried unanimously.

ACPC
Page 5
June 10, 2014

Commissioner Dye moved, supported by Commissioner Schebil, that the meeting be adjourned at 7:28 p.m.

Respectfully submitted,

Denise Cook, Secretary

RESOLUTION

RE: Administration – Authorization to Approve Planned Unit Development (PUD) of Gaslight Village Senior Assisted Living Complex

WHEREAS, the Adrian City Planning Commission, at their June 10, 2014 meeting unanimously approved with contingencies the Final Development Plan for the Gaslight Village Senior Assisted Living complex to be located at 2625 North Adrian Highway; and

WHEREAS, Gaslight Senior Assisted Living plans to construct a 37-unit facility on approximately 8 acres on the Witt Farm property occupying 30,405 square feet with future additions planned; and

WHEREAS, according to Article XI Section 11.28 of the City of Adrian Zoning Development Regulations, the City Commission within sixty (60) days after receipt of final recommendation of the Planning Commission shall either approve, approve with supplementary conditions, or disapprove the application as presented; and

WHEREAS, internal City staff has completed a formal site plan review and the Planning Commission has given their approval of the Planned Unit Development (PUD) with contingencies.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Adrian City Commission by this resolution hereby approves the application from Gaslight Senior Assisted Living to construct a 37-unit assisted living facility with possible future additions on 8 acres within the Witt Farm property located at 2625 North Adrian Highway.

On motion by Commissioner _____, seconded by Commissioner _____, this resolution was adopted by a _____ vote.

MEMO



DATE: July 3, 2014

TO: Honorable Mayor and City Commission

FROM: Shane A. Horn, City Administrator

SUBJECT: LDFA - SmartZone

City of Adrian staff has had on-going discussions with Lenawee Now, City of Tecumseh, Michigan Economic Development Corporation, Ann Arbor Spark and attorneys from the law firm of Miller Canfield to gather information on the formation of a partnership with the City of Ann Arbor where Adrian and Tecumseh would partner to create a joint LDFA and ultimately become part of a satellite to the Ann Arbor SmartZone.

Important points to highlight in Chris Miller's memo include:

- Legal fees from Miller Canfield to help set up the Joint LDFA and SmartZone would be shared equally between the City of Adrian and City of Tecumseh. The risk here is that with limited number of opportunities to create new SmartZones statewide, we could expend legal fees and be on the outside looking in.
- Creation of a Joint LDFA board that will be represented equally from the two communities.
- Funds generated from tax capture will be spent in the community that it is generated from.

Due to the extreme tight deadlines and the desire to come in ahead of other communities considering this opportunity, both Adrian and Tecumseh would need to have a Special Meeting on July 14, 2014 to set a public hearing to designate the TIF district and allow for a 60-day objection period.

We feel this is a great opportunity to partner with the City of Tecumseh to where both communities can take advantage of resources that might otherwise be unavailable.

LOCAL DEVELOPMENT FINANCING ACT (LDFA)

The Local Development Financing Act (LDFA), Public Act 281 of 1986, as amended, allows eligible entities to establish area boundaries, create and implement a development plan, acquire and dispose of interests in real and personal property, issue bonds and use tax increment financing to fund public infrastructure improvements for eligible property. The tool is designed to promote economic growth and job creation. Communities across Michigan have used this tool to support companies in manufacturing, agricultural processing, and high technology operations.

WHO IS ELIGIBLE TO ESTABLISH AN LDFA?

Any city, village or urban township, is eligible to create an LDFA district. In addition, any next Michigan development corporation is also eligible. A municipality may join with one or more municipalities in the same county to establish an additional authority only if in a certified technology park or certified alternative energy park. Definitions of urban townships can be found on the following page.

WHAT CAN AN LDFA DO?

- Study and analyze unemployment, underemployment, and joblessness and the impact of growth upon the authority district.
- Acquire, construct or improve a public facility or infrastructure.
- Create and implement long-range economic development plans that create jobs and promote economic growth.
- Make and enter into contracts.
- Incur costs necessary to the function of the board.
- Acquire, own, lease, convey, demolish, relocate, rehabilitate, improve, prepare or otherwise dispose of real or personal property. Collect revenues from these activities.
- Accept grants and donations of property, labor or other things of value from a public or private source.

HOW IS AN LDFA FINANCED?

The activities of the authority can be financed through one or more of the following sources:

- Tax increment revenues received following the completion of a tax increment financing plan.
- Proceeds of tax increment bonds.
- Proceeds of revenue bonds.
- Contributions to the authority for the performance of its functions.
- Revenues from any property, building, or facility owned, leased, licensed, or operated by the authority or under its control, subject to the limitations imposed upon the authority by trusts or other agreements.
- Legislature appropriations for insufficient tax increment revenues.
- Loans from the Michigan Strategic Fund or the Michigan Economic Development Corporation.

WHAT TAXES ARE ELIGIBLE TO BE CAPTURED THROUGH TAX INCREMENT FINANCING REVENUE?

All tax increment capture must be described in the tax increment financing plan. Local taxes on real and personal property are eligible to be captured. The LDFA may request capture from other taxing jurisdictions. These taxing jurisdictions have the ability to opt out or share a portion of the captured assessed value. 50% of school taxes can be captured for a maximum of fifteen years. Certified Technology parks may capture an additional 5 years pursuant to additional requirements. The following taxes are unable to be captured: Debt millages; taxes being levied under the zoological authorities act or art institute authorities act; taxes already being captured by downtown development authority, tax increment finance authority, or brownfield redevelopment authority.

LOCAL DEVELOPMENT FINANCING ACT (LDFA) *continued*

ELIGIBLE PROPERTY

Properties eligible for tax increment capture are structures, buildings, land improvements and other real property and equipment located within a district, whose primary use is either manufacturing, high technology, value added agricultural processing or energy production.

WHAT ACTIVITIES IN THE DEVELOPMENT PLAN ARE ELIGIBLE FOR FUNDING?

- Public infrastructure improvements that directly benefit the district, including a street, road, bridge, storm water or sanitary sewer, sewage treatment facility, water line, water tower, etc. Railroads and utility lines (electric and telecommunication are also eligible).
- Acquisition of land, demolition, site preparation and relocation costs.
- Certified alternative energy parks and certified technology park development.
- Administrative costs.

WHAT IS THE PROCESS TO ESTABLISH AN LDFA?

Note: The following steps are offered as general guidelines only. Legislation should be reviewed by local officials prior to starting the designation process.

1. The governing body of a municipality declares by resolution adopted by a majority of its members elected and serving its intention to create and provide for the operation of an authority.
2. The governing body sets a public hearing, based upon its resolution of intent, to create a LDFA.
3. Notice must be given of a public hearing by publication and mail to taxpayers within a proposed district and to the governing body of each taxing jurisdiction levying taxes that would be subject to capture of tax increment revenues.
4. Governing body takes comments at the public hearing.
5. Within 60 days, the governing body of another taxing jurisdiction may, by resolution, exempt its taxes from capture and file the resolution with the clerk of the municipality.

6. Not less than 60 days after the public hearing, the municipality adopts a resolution establishing the LDFA and designating the boundaries of the district.
7. Resolution shall be filed with the Secretary of State and published once in the local newspaper.
8. The municipality appoints the members of the LDFA Board. The Board shall consist of seven members appointed by the governing body, one member appointed by the county commission, one member appointed by the community or junior college and two members appointed by each local government unit that levied 20% or more of the ad valorem taxes levied against all property located in the authority district in the year before the year in which the authority district is established. Additional members shall only vote on matters relating to the authority district located within their respective local unit of government.

Once the LDFA is established, the LDFA must create a development plan, to be adopted by the municipality, that outlines what the authority may do and what funds may be used. If the LDFA Board anticipates the need for capturing tax increment to support a project, a Tax Increment Financing Plan must also be adopted. Adoption of these plans also require public notices and hearings. Tax increment revenues can only be spent in accordance of the Tax Increment Financing Plan. The authority must submit an annual financial report to the governing body and state tax commission.

Land may be added or removed from a district pursuant to the same requirements prescribed for adopting the resolution creating the LDFA.

CONTACT INFORMATION

For more information, contact the Michigan Economic Development CorporationSM (MEDC) Customer Contact Center at 517.373.9808.

MICHIGAN SMARTZONES

SmartZonesSM provide distinct geographical locations where technology-based firms, entrepreneurs and researchers locate in close proximity to all of the community assets that assist in their endeavors. SmartZone technology clusters promote resource collaborations between universities, industry, research organizations, government and other community institutions, growing technology-based businesses and jobs. New and emerging businesses in SmartZone technology clusters are primarily focused on commercializing ideas, patents and other opportunities surrounding corporate, university or private research institute R&D efforts.

TECHNOLOGY BUSINESS ACCELERATION AND INCUBATION

Michigan's 15 SmartZones include technology business accelerators that provide the services identified below and help facilitate the commercialization of technology emerging from research in Michigan universities and private companies. Accelerators mine technology from universities and private enterprise, assist companies and entrepreneurs in building business structures around the technology, conduct product development and help companies secure necessary start up financing. The SmartZones are also home to incubation facilities providing office and wet lab space to technology companies.

Business accelerator services include, but are not limited to:

- Business development mentoring
- Networking events
- Business feasibility studies
- Business planning
- Entrepreneurial training
- Grant writing
- Incubator and wet lab space
- Management recruitment
- Market analysis
- Product development
- Small Business Innovation Research (SBIR) assistance
- Small Business Technology Transfer (STTR) assistance
- Technology assessments
- Technology mining
- Venture capital preparation and introductions
- Incubators:
 - Automation Alley
 - Bizdom Detroit
 - MLSIC Plymouth
 - Grand Rapids Current
 - SMIC Kalamazoo
 - SPARK East Ypsilanti
 - Tech Town Detroit
 - MTEC Houghton
 - Macomb OU Incubator
 - Technology Innovation Center East Lansing
 - CMU Research Corporation
 - Mid-Michigan Innovation Center Midland
 - MAREC Muskegon
 - Lakeshore Advantage Holland
 - OU Incubator Rochester Hills

For further information, contact the MEDC Customer Contact Center at 517-373-9808.

SMARTZONES

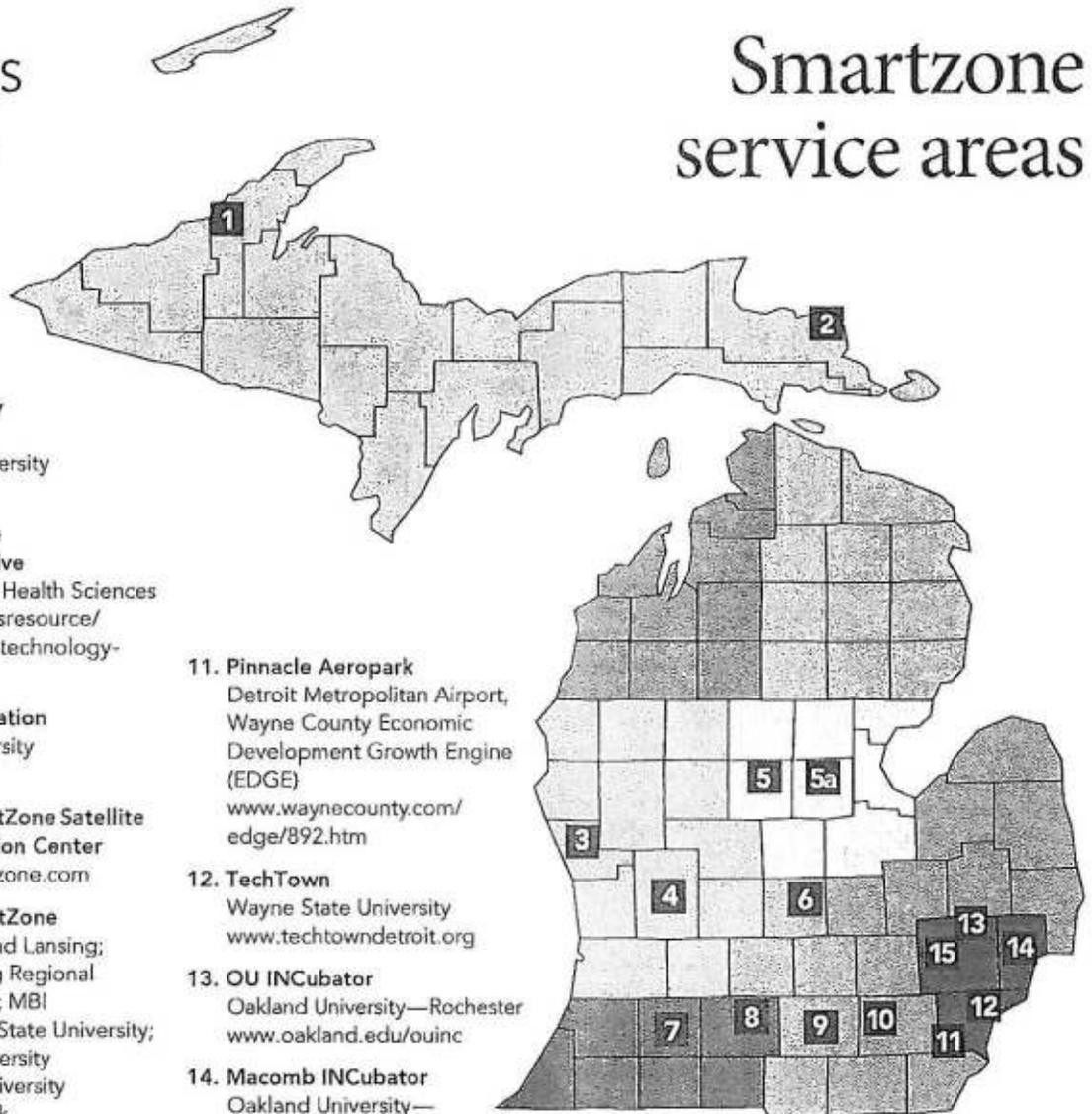
1. **MTEC SmartZone**
Michigan Technological University
www.mtecsz.com
2. **Sault Ste. Marie**
Lake Superior State University
www.ssmartzone.com
3. **Michigan Alternative and Renewable Energy Center**
Grand Valley State University
www.gvsu.edu/marec
4. **West Michigan Science and Technology Initiative**
Cook-DeVos Center for Health Sciences
www.gvsu.edu/businessresource/west-michigan-science-technology-initiative-5.htm
5. **CMU Research Corporation**
Central Michigan University
www.cmurc.com
- 5a. **Mount Pleasant SmartZone Satellite MidMichigan Innovation Center**
www.mtpleasantsmartzone.com
6. **Lansing Regional SmartZone**
Cities of East Lansing and Lansing; Ingham County; Lansing Regional Chamber of Commerce; MBI International; Michigan State University; the Michigan State University Foundation; and the University Corporate Research Park
http://edc.lansingmi.gov/modules.php?name=Pages&sp_id=244&smenu_id=168
7. **Southwest Michigan Innovation Center**
Western Michigan University
www.kazoosmic.com
8. **Battle Creek Unlimited**
Western Michigan University and Kellogg Community College
www.bcunlimited.org
9. **Jackson Technology Park**
Baker College, Jackson Community College and Spring Arbor University
www.enterprisegroup.org
10. **Ann Arbor SPARK**
University of Michigan and Eastern Michigan University
www.annarborusa.org

11. **Pinnacle Aeropark**
Detroit Metropolitan Airport, Wayne County Economic Development Growth Engine (EDGE)
www.waynecounty.com/edge/892.htm
12. **TechTown**
Wayne State University
www.techtowndetroit.org
13. **OU INCubator**
Oakland University—Rochester
www.oakland.edu/ouinc
14. **Macomb INCubator**
Oakland University—Macomb
www.oakland.edu/macombouinc
15. **Automation Alley**
Lawrence Technological University and Oakland University
www.automationalley.com

REGIONS

- | | |
|--|---|
|  Upper Peninsula region |  East Michigan region |
|  Northwest region |  South Central region |
|  Northeast region |  Southwest Michigan region |
|  West Michigan region |  Southeast Michigan region |
|  East Central region |  Detroit Metro region |

Smartzone service areas





MEMO

135 E. Maumee, Adrian, MI 49221-2703

DATE: July 7, 2014

TO: Hon. Jim Berryman, Mayor
City Commission
Shane Horn, City Administrator

FROM: Chris Miller
DDA & Economic Development Coordinator

SUBJECT: Establishing a joint Local Development Financing Authority as the first step in the creation of a SmartZone

Mr. Mayor & Commissioners,

At your May 19, 2014 meeting, you approved the creation of a Local Development Financing Authority (LDFA) as the first step in a process that would ultimately lead to a “SmartZone” partnership with the City of Ann Arbor. We became aware that the city had a unique opportunity to leverage funds dedicated to the fostering of manufacturing, high tech, agriculture, and energy through the creation of a satellite SmartZone; the enabling legislation is PA 281 of 1986. Fifteen SmartZones were established as a result of that legislation, and now the state is offering three additional locations in the state the ability to create new SmartZones.

There has been some evolution in this new process and we are now working to create a “Joint LDFA” that we believe makes our application stronger and ultimately brings more state resources to Lenawee County. The City of Tecumseh has indicated a willingness to partner with Adrian in a Joint LDFA then ultimately become a part of the SmartZone satellite to the Ann Arbor SmartZone.

To return to the central rationale for establishing a SmartZone, Adrian (and now Tecumseh) will be able to capture taxes in zones which develop in the coming years, and the taxing jurisdictions will be made whole by the State of Michigan. Essentially, we will receive economic development funds from the state that we have no other way to access. These funds will come to us in essence as matching funds to the state school tax capture; the city’s tax revenues will not be affected and our local schools will also be held harmless.

The partnership with Tecumseh will be framed and defined by the legislation and related MEDC policy, but we know or expect it will include at least these items at the outset:

- A 50/50 split – Adrian and Tecumseh - of the legal costs from Miller Canfield (authorized as a part of the resolution before you) to help us properly set up the Joint LDFA and SmartZone paperwork – estimated to be between \$5,000 - \$10,000
- The property, individually identified by both cities, within both communities that will be the designated Joint LDFA district – this is where the tax capture will take place, and in some cases where funds raised will be expended
- The creation of a Joint LDFA Authority and board, equally represented from Adrian and Tecumseh, that will administer the Joint LDFA
- A requirement that funds generated from the property tax capture or state match from each of the communities will be spent only in those communities, except in the case where representatives from that community authorize spending such funds outside their community – Adrian funds stay in Adrian unless authorized by the Adrian reps on the joint board, Tecumseh funds stay in Tecumseh unless authorized by the Tecumseh reps on the joint board

We appreciate the Commission's patience with this process; it's new to the State of Michigan and to us, and depends on some legislation that is open to significant variations in interpretation. This very interpretation is part of the reason we have requested a special meeting for July 14th; we are working against a deadline not in any legislation but now required by the MEDC, and because of the competitive nature in the granting of additional SmartZones, essentially the first good applicants will be funded, and if applicants are not timely they will not receive SmartZone designation.

Finally, please be advised we are in regular consultation with Lenawee Now, the City of Tecumseh, the Michigan Economic Development Corporation, Ann Arbor Spark, and our legal colleagues at Miller Canfield to ensure we get this right. At the end of the day, we expect the City to enjoy a significant advantage and resources not widely available to communities in the State of Michigan.

I encourage your support for the resolution. Please let me know if there are questions.
Best Regards,

Chris

Chris Miller
DDA & Economic Development Coordinator

RE: COMMUNITY DEVELOPMENT – Resolution of Intent to Create and Provide for the operation of a joint Local Development Financing Authority with the City of Tecumseh MI, for the City of Adrian pursuant to and in accordance with the provisions of Act 281 of the Public Acts of the State of Michigan of 1986, as amended

RESOLUTION

WHEREAS, in the City of Adrian’s 2013-2015 Strategic Plan, a high priority goal is to “create and nurture a vibrant place to attract residents and jobs”; and

WHEREAS a specific action step identified in the 2013-2015 Strategic Plan is to consider use of a Tax Increment Capture mechanism to “strengthen and diversify” the local economy; and

WHEREAS, the City Commission of the City of Adrian is strongly committed to the revitalization and development of local properties to prevent conditions of unemployment and promote economic growth; and

WHEREAS, the City Commission has concluded these objectives are furthered by the creation of a Local Development Financing Authority and the exercise of powers granted to a board authority pursuant to the Local Development Financing Act, Act 281 of 1986, as amended; and

WHEREAS, the City of Tecumseh has indicated a willingness to partner with the City of Adrian in a joint Local Development Financing Authority; and

WHEREAS, there is great emphasis on and benefit in partnering with other local units to address regional needs in a more effective manner.

NOW, THEREFORE, BE IT RESOLVED that the Adrian City Commission hereby (1) declares its intention to create and provide for the operation of a Joint Local Development Financing Authority with the City of Tecumseh, MI, pursuant to and in accordance with the provisions of the Act. (2) For purposes of complying with the Act, the Commission authorizes the City Administrator to retain the services of Miller Canfield, Attorneys and Counselors at Law, 150 W. Jefferson, Detroit, MI. (3) Authorizes the City Administrator to include property, as designated by the Tecumseh, MI City Council, to be part of the Joint Local Development Financing Authority district together with designated City of Adrian properties, and (4) sets a Special Meeting for July 14, 2014, where a public hearing date will be set and required documentation shall be made public.

On motion by Commissioner _____, seconded by Commissioner _____, this resolution was

by a _____ vote.



MEMO

135 E. Maumee, Adrian, MI 49221-2703

DATE: July 7, 2014

TO: Hon. Jim Berryman, Mayor
City Commission
Shane Horn, City Administrator

FROM: Chris Miller
DDA & Economic Development Coordinator

SUBJECT: Downtown Rental Rehab program

Ladies and Gentlemen,

I am sending you this memo to express support for the resolution that accepts a \$389,625 grant for the Downtown Rental Rehabilitation program. This program is administered by the Michigan State Housing Development Authority (MSHDA). The grant will allow us to renovate and create a total of 8 upper-floor residential rental units in four different downtown buildings.

We have engaged the required third-party administrator to manage this project on behalf of the city. With acceptance of this grant, the city will now be able to leverage the private dollars with the grant money, and fully fund these projects without the need to use any local government funds. We are excited about the impact these new and renovated residential units will have on downtown.

I urge support for the resolution and would be happy to respond to questions or thoughts about it.

Best Regards,

Chris

Chris Miller

DDA & Economic Development Coordinator

RE: COMMUNITY DEVELOPMENT – Acceptance of Community Development Block Grant Award (MSC-2013-0486-HO) from Michigan State Housing Development Authority for Rental Rehabilitation projects in downtown Adrian

RESOLUTION

WHEREAS, in the City of Adrian’s 2013-15 Strategic Plan, a high priority goal is to “create and nurture a vibrant place to attract residents and jobs”; and

WHEREAS, action strategies in the Strategic Plan call for special attention to development of downtown, and to “strengthen urban corridors”; and

WHEREAS, attractive downtowns are key components in the development of “Place”, and are likely to yield increases in residency rates and related economic vitality; and

WHEREAS, the City of Adrian is interested in providing affordable rental housing opportunities for its low-to-moderate income residents; and

WHEREAS, on March 17, 2014 the City of Adrian Commission authorized application to the Michigan State Housing Development Authority for their Rental Rehabilitation program; and

WHEREAS, the program provides assistance to owners who desire to rehabilitate downtown apartments above commercial buildings; and

WHEREAS, the City of Adrian’s grant application has been approved for \$389,625, and

WHEREAS, the City of Adrian will use the funds to assist landlords and leverage private funds in the rehabilitation and creation of eight (8) residential units in downtown Adrian.

NOW THEREFORE BE IT RESOLVED that the City of Adrian Commission accepts the Community Development Block Grant Michigan State Housing Development Authority Grant # MSC-2013-0486-HO in the amount of \$389,625, and authorizes the Mayor of the City of Adrian to sign the grant agreements on behalf of the City of Adrian.

BE IT FURTHER RESOLVED that the FY2014-15 Budget and General Appropriations Act be amended as follows:

Community Development Fund (Fund #275)

Revenue:

(275-000.00-530.000)	CDBG Grant – Downtown Rental Rehab	\$389,625
	Total	\$389,625

Expenditures:

(275-827.00-823.000)	CDBG Grant – Downtown Rental Rehab	\$389,625
	Total	\$389,625

On motion by Commissioner _____, seconded by
Commissioner _____, this resolution was
_____ by a _____ vote.

CHARLES L. LASKY
JOHN R. FIFAREK

LASKY FIFAREK

PROFESSIONAL CORPORATION

ATTORNEYS

120 NORTH WASHINGTON SQUARE
SUITE 625
LANSING, MICHIGAN 48933

TELEPHONE (517) 267-2222
FACSIMILE (517) 267-2230

JOHN R. FIFAREK
jlfifarek@laskyfifarek.com

DIRECT DIAL
(517) 267-2226

Via email and first class mail

July 2, 2014

City of Adrian
Attn: Pat Baker, City Clerk
2nd Floor
135 E. Maumee Street
Adrian, MI 49221

**Licensee: Chipotle Mexican Grill of Colorado, LLC
Transfer of Tavern License from Pizza Hut of American, Inc. and
Reclassification to Class C Liquor License Application and
Supporting Documents**

Ms. Baker:

Our office represents Chipotle Mexican Grill of Colorado, LLC. On behalf of our client, we are in the process of applying for a transfer of ownership and transfer of location of a Tavern license owned by Pizza Hut of America, Inc. (License # 208192) to Chipotle Mexican Grill of Colorado, LLC, as well as the re-classification of that license to a Class C, on premise Liquor License located in City of Adrian.

Enclosed is a copy of the letter to the Michigan Liquor Control Commission (LCC), the application and supporting documentation and the Local Government Approval Form. The "Local Government Approval Form" (*flagged for ease of reference*) is to be completed and signed by the City of Adrian and returned to our office for further processing with the LCC application. Based on the discussions between my assistant, Colline DeVries-Burd, the LCC and your office, and the most recent discussion between your office and Sharmaine from the Michigan LCC, it is our understanding that the Local Government Approval Form will be processed without the prerequisite of Chipotle Mexican Grill of Colorado obtaining a Certificate of Occupancy from the City of Adrian.

It is requested that your prompt attention be given to this matter. If you should have any questions, comments or concerns relating to the application or the enclosures, or if any additional information is necessary, please do not hesitate to call.

LASKY FIFAREK, P.C.



John R. Fifarek

JRF/cdb
Enclosures

C: Chipotle Mexican Grill of Colorado, LLC, Kimberly Bell and Kim Oganasyan (w/o enclosures) - via email
Michigan Liquor Control Commission (w/enclosures)

CHARLES L. LASKY
JOHN R. FIFAREK

LASKY FIFAREK

PROFESSIONAL CORPORATION

ATTORNEYS

120 NORTH WASHINGTON SQUARE
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LANSING, MICHIGAN 48933

TELEPHONE (517) 267-2222
FACSIMILE (517) 267-2230

JOHN R. FIFAREK
ffifarek@laskyfifarek.com

DIRECT DIAL
(517) 267-2226

July 2, 2014

Michigan Liquor Control Commission
7150 Harris Drive
P.O. Box 30005
Lansing, Michigan 48909-7505

Licensee: Chipotle Mexican Grill of Colorado, LLC
Transfer of Tavern License from Pizza Hut of American, Inc. and
Reclassification to Class C Liquor License Application and
Supporting Documents

Sir/Madam:

Our office represents Chipotle Mexican Grill of Colorado, LLC. On behalf of our client, we submit the enclosed Application for transfer of ownership and location of a Tavern license owned by Pizza Hut of America, Inc. to Chipotle Mexican Grill of Colorado, LLC, as well as the re-classification of that license to a Class C, on premise Liquor License located in City of Adrian.

Chipotle Mexican Grill of Colorado, LLC is a Colorado limited liability company. Its principal place of business is 1401 Wynkoop Street, Suite 500 Denver, Colorado 80202. Its Federal Employer Identification Number is 84-1485992.

The sole member of Chipotle Mexican Grill of Colorado, LLC is *Chipotle Mexican Grill, Inc.*, a Delaware corporation. Chipotle Mexican Grill, Inc. is a publically traded corporation. It has 31.08 Million shares issued and outstanding with the largest corporate shareholders being: Fidelity Management & Research, holding 12.96%, T. Rowe Associates, holding 10.88%, Fidelity Contrafund, holding 9.55%, Capital World Investors, holding 8.27%, and American Funds Insurance Series Growth Fund, holding 3.99% with the remaining shares disbursed among various shareholders.

Chipotle Mexican Grill of Colorado, LLC ("Chipotle"), subject to MLCC approval, is purchasing a Tavern liquor license from Pizza Hut of America, Inc., issued by the Michigan Liquor Control Commission (#208192), and currently held in escrow at 1001 S. Main, Adrian, Michigan 49221. (License #208192). Chipotle is applying for a transfer of ownership and location of License #208192, as well as a re-classification of License #208192 from a Tavern liquor license to a Class C, on premise liquor license.

The property where Chipotle will be operating from is located in the City of Adrian. The building is to be located at 1421 S. Main Street, Adrian, Michigan 49221, and is currently under construction. Construction is scheduled to be substantially completed on or about September 18, 2014, and is scheduled to open on or about October 7, 2014. The building is located, generally at North East corner of South Main Street and U.S. 23, in the City of Adrian, Michigan. The space being leased is approximately 2,344 square feet. A copy of the Lease is enclosed. Applicant is the Tenant; the Landlord is Baumgartner, LLC.

As to the Applicant, Chipotle Mexican Grill of Colorado, LLC, enclosed are the following documents:

1. Application for a transfer of ownership, transfer of location and for re-classification from a Tavern liquor license to a Class C, on premise license (Form LCC 3011);
2. Limited Power of Attorney – Licenses/Permits dated December 6, 2013, granting Kim Oganesyanyan authority, as an agent to represent, request, file information, sign license application and request and receive licenses on behalf of Chipotle Mexican Grill of Colorado, LLC and Chipotle Mexican Grill, Inc. This LPOA was executed by Montgomery Moran, Manager of the Applicant (the LLC is manager managed) and the Co-CEO of Chipotle Mexican Grill, Inc;
3. The Purchase Agreement between Pizza Hut of America, Inc. (Seller) and Chipotle Mexican Grill of Colorado, LLC (Buyer), dated June 23, 2014.
4. Company Information Sheet, listing Member and Manager information;
5. Certificate of Good Standing for the State of Colorado dated May 5, 2014;
6. Articles of Organization dated December 31, 1998;
7. Operating Agreement dated June 16, 1999;
8. Application for Certificate of Authority to Transact Business in Michigan, filed August 8, 2003;
9. Certificate of Good Standing and authorization to transact business from the State of Michigan dated May 9, 2014;
10. Lease Agreement between Baumgartner, LLC, as Landlord, and Chipotle Mexican Grill of Colorado, LLC, as Tenant, dated August 19, 2013, for approximately 2,344 square feet at the North East corner of South Main Street and U.S. 23, Adrian, Michigan, and an address of 1421 S. Main Street, Adrian, Michigan 49221;
11. Site Plan for Chipotle Mexican Grill of Colorado, LLC/City of Adrian location;

12. Sunday Sales Permit Application for A.M. and P.M. sales; and
13. Local Government Approval Form.

As to Chipotle Mexican Grill, **Inc.**, the sole member of the applicant, in support of the Application, and in response to Section 7a of the Application:

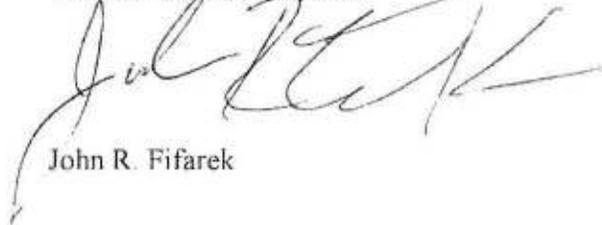
1. Report of Stockholder/Member Officer and Director Information (From LCC 3010);
2. Chipotle Mexican Grill, Inc. (Sole Shareholder of Chipotle Mexican Grill of Colorado, LLC). List of Names and Addresses of Corporate Officers and Directors;
3. Certificate of Incorporation and Good Standing, State of Delaware;
4. Amended Application for Certificate of Authority to Transact Business in Michigan; and
5. Certificate of Good Standing and authority to transact business from the State of Michigan dated May 13, 2014.

Also, enclosed is a check in the Amount of \$1,170.00 for the following fees:

- a. \$600.00 license fee
- b. \$ 70.00 inspection fee
- c. \$160.00 Sunday AM permit fee
- d. \$ 90.00 Sunday PM permit fee
- e. \$250.00 Tavern license fee

It is requested that your prompt attention be given to this matter. If you should have any questions, comments or concerns relating to the Application or the enclosures, or if any additional information is necessary, please do not hesitate to call.

LASKY FIFAREK, P.C.



John R. Fifarek

JRF/cdb
Enclosures

- C. Chipotle Mexican Grill of Colorado, I.L.C. Kimberly Bell and Kim Oganesyan (w/o enclosures) - via email
City of Adrian. Pat Baker, City Clerk (w/ enclosures) – via email and first class mail



Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505
Toll Free (866) 813-0011 • www.michigan.gov/lcc

Business ID: _____

Request ID: _____

(For MLCC use only)

Application for New Licenses, Permits, or Transfer of Ownership or Interest in License
(Retail License Applicants)

PLEASE READ! Complete this form in its entirety and return it, along with corresponding documents and fees, to the address listed at the top of this form. You may provide a copy of this application to your local municipal board for review, if applicable.

Part 1 - If you are requesting a license as a part of your application please answer the questions below:

- Are you requesting a new license as a part of your application? Yes No
- Are you buying an existing license as a part of your application? Yes No
- Is this license being transferred as a result of a default or court action? Yes No
- Do you intend to actively use this license or hold it in escrow? Active Operation Escrow

Part 2 - Transaction Information: Check boxes applicable to your application New license New permit

- Transfer ownership Add space Change status (self incorporation) Transfer stock/interest
- Transfer location Drop space Transfer classification type of license Transfer limited partnership interest

Name(s) of current licensee: Pizza Hut of America, Inc.

Current licensed address: 1001 S. Main, Adrian, Michigan 49221

Part 3 - Applicant Information

Name of entity/person that will hold the license: Chipotle Mexican Grill of Colorado, LLC

- Corporations/Limited Liability Company(s) - State the name as it is filed with the State of Michigan Corporation Division and provide a copy of your articles.
- Corporations/Limited Liability Company(s) must provide a list of stockholders/members in Part 8 of this form.
- If your company has not filed with the State of Michigan, you must submit a copy of a filed certificate of authority to transact business in Michigan along with your application.

What is the physical address of the premises where the license will be located? (Include street address, city, state and zip code)

1421 S. Main Street, Adrian, Michigan 49221 - Building is currently under construction with a scheduled completion date of 9/18/14.

Part 4 - Definitions

Off-premise licenses - Licenses that are issued for the type of business where alcoholic beverages are sold for consumption elsewhere, and where consumption on the premises is not allowed. There are two main types; SDD (spirits and mixed drink spirits) and SDM (beer and wine). Please check the appropriate box for your request. Note: Any additional transfer or license fees may be calculated and collected at a later date.

On-premise licenses - Licenses that are issued to allow alcoholic beverages to be sold, served and consumed on the premises. Note: Any additional transfer or license fees may be calculated and collected at a later date.

Part 5 - Inspection Fees: Check box applicable to your application

- Inspection fee for one license type - inspection fee is \$70.00
- Inspection fee for two license types - inspection fee is \$140.00
- Inspection fee for three license types - inspection fee is \$210.00



**Application for New Licenses, Permits, or Transfer of Ownership or Interest in License
 (Retail License Applicants)**

Part 6 - Licenses and Permits: Check the type of license and permits that you need to complete your request

MCL 436.1525(1) provides that license fees shall be paid at the time of filing applications. (All checks/money orders should be made payable to the State of Michigan)

Off Premise License Type:	Base Fee:
<input type="checkbox"/> SDM License	\$100.00
<input type="checkbox"/> SDD License	\$150.00
<input type="checkbox"/> Resort SDD License	Upon Licensure
<input type="checkbox"/> Transfer Resort SDD license	\$150.00

On Premise License Type:	Base Fee:
<input type="checkbox"/> B-Hotel License	\$600.00
<input type="checkbox"/> A-Hotel License	\$250.00
<input type="checkbox"/> Brewpub license	\$100.00
<input checked="" type="checkbox"/> Class C License	\$600.00
<input type="checkbox"/> Club License	\$300.00
<input type="checkbox"/> Resort License	Upon Licensure
<input type="checkbox"/> Redevelopment License	Upon Licensure
<input type="checkbox"/> Tavern License	\$250.00
<input type="checkbox"/> G-1 License	\$1,000.00
<input type="checkbox"/> G-2 License	\$500.00
<input type="checkbox"/> Aircraft License	\$600.00
<input type="checkbox"/> Watercraft License	\$100.00
<input type="checkbox"/> Train	\$100.00
<input type="checkbox"/> Continuing Care License	\$600.00

On/Off Premise Permission Type:	Base Fee:
<input type="checkbox"/> Off-premise Storage	No charge
<input type="checkbox"/> Direct Connection(s)	No charge
<input type="checkbox"/> Gas Pumps	No charge

Off Premise Permits:	Base Fee:
<input type="checkbox"/> Sunday Sales Permit (AM)	\$160.00
<input type="checkbox"/> Sunday Sales Permit (PM) (Held with SDD license)	\$22.50
<input type="checkbox"/> Catering Permit	\$100.00
<input type="checkbox"/> Beer and Wine Sampling	No charge *
<input type="checkbox"/> Living Quarters	No charge *

*Note: MCL 436.1529(5)(b) provides that an inspection fee shall not be required for the issuance of a new permit, or the transfer of an existing permit, if the permit is issued or transferred simultaneously with the issuance or transfer of a license or an interest in a license.

On Premise Permit Type:	Base Fee:
<input checked="" type="checkbox"/> Sunday Sales Permit (AM)	\$160.00
<input checked="" type="checkbox"/> Sunday Sales Permit (PM)	15% of license fee
<input type="checkbox"/> Catering Permit	\$100.00
<input type="checkbox"/> Outdoor Service	No charge *
<input type="checkbox"/> Entertainment Permit	No charge *
<input type="checkbox"/> Dance Permit	No charge *
<input type="checkbox"/> Topless Activity Permit	No charge *
<input type="checkbox"/> Living Quarters	No charge *

Specific Purpose Permit (list activity below):
 Hours requested: NOT REQUESTING - DO NOT NEED

Extended Hours Permit (check type below): No charge *
 Dance Entertainment

Hours requested: _____

- New Additional Bar Permit (s)** Indicate #: _____ \$350.00
- New Banquet Facility Permit \$600.00

Address of proposed banquet facility:

A Banquet facility permit is an extension of your license and is different from a banquet room in your facility.

*Note: MCL 436.1529(5)(b) provides that an inspection fee shall not be required for the issuance of a new permit, or the transfer of an existing permit, if the permit is issued or transferred simultaneously with the issuance or transfer of a license or an interest in a license.

**Note: \$350.00 is due for each additional bar requested. This fee must also be included when calculating the total amount due for Sunday Sales Permit (PM).



Michigan Department of Licensing and Regulatory Affairs
 Liquor Control Commission (MLCC)
 7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505
 Toll Free (866) 813-0011 - www.michigan.gov/lcc

Business ID: _____
 Request ID: _____
 (For MLCC use only)

Application for New License, Permits, or Transfer of Ownership or Interest in License
(Retail License Applicants)

Part 7a - Name and Address of stockholder/member/limited partner

- Each stockholder/member/partner must complete Part 7b of the application.
 (For companies with multiple stockholders/members/partners, please make copies of this section for each person/entity to complete)
- Administrative rule R 436.1115 provides that an applicant for a license shall submit fingerprints and undergo investigation by the Commission. Fingerprints are not required for an applicant previously fingerprinted for a license with the Commission. If your local police agency does not have paper fingerprint cards, please contact the MLCC today at (866) 813-0011 and we will send them to the police department right away.
- Please attach the the fingerprint card and \$30.00 fee payable (for each card) to the State of Michigan and return them to the Lansing office of the Michigan Liquor Control Commission with your application.

Name: Chipotle Mexican Grill, Inc.
 Home address: 1401 Wynkoop Street, Suite 500, Denver, CO 80202
 Business Phone: 303-595-4000 Cell Phone: _____ E-mail address: _____

Part 7b - Personal Information (Individuals)

Please see enclosed "Report of Stockholder/Member Officer and Directors"

Date of Birth: _____ Social Security Number: _____ Drivers License Number: _____

Are you a citizen of the United States of America? Yes No

Have you ever legally changed your name? Yes No List maiden names, or name changes due to naturalization or court order

If you answered yes, please state your prior name(s) (including maiden): _____

Have you ever been arrested? Yes No If yes, list below (attach additional pages if necessary)

Date	City/State	Charge	Disposition

Have you ever been licensed by the Michigan Liquor Control Commission? Yes No

If you are currently married, what is your spouse's full name? _____ (first, middle, last)

Spouse's date of birth: _____ (first, middle, last)

Is your spouse a citizen of the United States of America? Yes No (If you answered "no", you will be asked to provide documentation to verify your spouse's legal status)

Has your spouse ever been arrested? Yes No If yes, list below (attach additional pages if necessary)

Date	City/State	Charge	Disposition

Do you or your spouse hold any position, either by appointment or election, which involves the duty to enforce any penal law of the United States of America, or the penal laws of the State of Michigan, or any penal ordinance or resolution of any municipal subdivisions of the State of Michigan (civil defense volunteer policeman, mayors, village presidents, and members of city councils are not considered to be law enforcement officers).

Yes No

Do you or your spouse hold a manufacturer or wholesale license in Michigan?

Yes No

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing false or fraudulent information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

6/23/14 Date
Kim Oganessian, Licensing Manager, pursuant to Power of Atty. Individual, print name
 Dated: 12/06/13

Individual signature



Michigan Department of Licensing and Regulatory Affairs
 Liquor Control Commission (MLCC)
 7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505
 Toll Free (866) 813-0011 • www.michigan.gov/lcc

Business ID: _____

Request ID: _____

(For MLCC use only)

**Application for New Licenses, Permits, or Transfer of Ownership or Interest in License
 (Retail License Applicants)**

Part 8 - Report of ~~Stockholders~~/Members/~~Limited Partners~~

Complete this section and attach more copies of this page if more room is needed.

Name and Address of stockholder/member:	Number of Shares/Percentage Held:
Chipotle Mexican Grill, Inc. (*a publicly traded corporation)	100%
1401 Wynkoop Street, Suite 500	_____
Denver, CO 80202	_____
_____	_____
_____	_____
_____	_____

Name and address of Corporate Officers and Directors, pursuant to administrative rule R 436.1109

Name and address of Managers and Assignees, pursuant to administrative rule R 436.1110

Please See Enclosed Document: "CHIPOTLE MEXICAN GRILL OF COLORADO, LLC COMPANY INFORMATION SHEET"

What is the total number of shares that the corporation has issued to its stockholders? _____

Limited Partnerships

Name and address of General Partner(s) - Attach additional pages if necessary

Name and address of Limited Partner(s) - Attach additional pages if necessary



Michigan Department of Licensing and Regulatory Affairs
 Liquor Control Commission (MLCC)
 27150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505
 Toll Free (866) 813-0011 - www.michigan.gov/lcc

Business ID: _____

Request ID: _____

(For MLCC use only)

**Application for New Licenses, Permits, or Transfer of Ownership or Interest in License
 (Retail License Applicants)**

Part 9 - Contact Information

Once the Commission has rendered a decision on your request there will be additional information that you will be required to provide. Complete this section so we know where to send your Commission Order and any closing packages.

What is your preferred method of receipt? Mail E-Mail In office pick-up
 (If you choose to pick this package up in the office our staff will contact you when it is ready)

Contact Name: Kim oganesyan, Licensing Manager

Mailing Address: 1401 Wynkoop Street, Suite 500, Denver, CO 80202

Business Phone: 303-222-2524 Cell Phone: _____ E-mail address: _____

Part 10 - Attorney Information

Do you have an attorney representing you in this matter? Yes No

Attorney Name: John Fifarek Member Number: P-35518

Street Address, City, State, Zip Code: 120 North Washing Square, Suite 625, Lansing, MI 48933

Business Phone: 517-267-2222 Cell Phone: _____ E-mail address: JFifarek@laskyfifarek.com

Would you prefer that we contact your attorney for all licensing matters related to your request? Yes No

Would you prefer any closing packages or notices be sent directly to your attorney? Yes No

Be advised that the information contained in this application will only be used for this request. This section will need to be completed for each subsequent request you make with this office.

Signature of Applicant:

Notice: When purchasing a license, a buyer can be held liable for tax debts incurred by the previous owner. Prior to committing to the purchase of any license or establishment, the buyer should request a tax clearance certificate from the seller that indicates that all taxes have been paid up to the date of issuance. Obtaining sound professional assistance from an attorney or accountant can be helpful to identify and avoid any pitfalls and hidden liabilities when buying even a portion of a business. Sellers can make a request for the tax clearance certificate through the Michigan Department of Treasury.

Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of this permit by the Michigan Liquor Control Commission does not waive any of these requirements. The licensee must obtain all other required state and local licenses, permits, and approvals for this business before using this license for the sale of alcoholic liquor on the licensed premises.

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

6/23/14 Date Kim Oganeyan, Licensing Manager, pursuant to Power of Atty. Dated 12/6/13 Print name of applicant/licensee and title

[Signature] Signature of applicant/licensee

To check the status of your request, visit www.michigan.gov/lcc and click on "Online Services." Scroll down to Liquor Control Commission and click on "Online Status Check." Enter your request id number (RID) to check on your application 24 hours a day.



Michigan Department of Licensing and Regulatory Affairs
MICHIGAN LIQUOR CONTROL COMMISSION (MLCC)

7150 Harris Drive, P.O. Box 30005
Lansing, Michigan 48909-7505

APPLICATION FOR SUNDAY SALES PERMIT

[Authorized by MCL 436.2111, MCL 436.2113 and MCL 436.2115]

FOR MLCC USE ONLY

Request ID # _____

Business ID # _____

- To be considered for the authorization for the Sunday Sales AM and/or Sunday Sales PM you must complete the application, sign the form and return the application to the address at the top of this form, or FAX the form to 517-322-6137. If you filled out the credit card authorization portion of this form, please fax the ENTIRE FORM to the secured fax line, 517-322-5237. MAKE A COPY OF THIS APPLICATION FOR YOUR RECORDS.

1. Applicant Identification

Name of Licensee(s) CHIPOTLE MEXICAN GRILL OF COLORADO, LLC

Business street address 1421 S. Main Street, Adrian, Michigan 49221 - Building under construction - completion date 9/18/14

Governmental Unit _____ County _____

Type of License(s) CLASS C

2. Nature of Application - (Check all that apply)

- Sunday Sales PM Spirits and Mixed Spirit Drink (12 noon – 2 a.m. Monday morning)
This request is for On-Premises licensees (Class C, B-Hotel, Clubs, etc.) and SDD licensees only
Additional 15% of the total On-Premises or SDD license Fee

- Sunday Sales PM allows the sale of spirits and mixed spirit drink unless prohibited in the county or local governmental unit where the licensed establishment is located.

ON-PREMISES LICENSEES (CLASS C, TAVERN, B-HOTEL, A-HOTEL, CLUBS, ETC.):

The sale of food and other goods and services must exceed or is proposed to exceed 50% of the total gross receipts. The Sunday Sale of spirits and mixed spirit drink will be invalidated if it is found that gross receipts derived from the sale of food and/or other goods and services (which can include beer and wine) do not exceed 50% of the total gross receipts (not including spirits), as required by section 1113 of the Liquor Control Code.

- Sunday Sales AM Beer, Wine, Spirits, and Mixed Spirit Drink (7 a.m. – 12 noon)
This request is for all licensees, On-Premises and Off-Premises
\$160 fee is required

- Sunday Sales AM allows the sale of beer, wine, spirits, and mixed spirit drink unless prohibited in the county and local governmental unit where the licensed establishment is located.

ARE THERE ANY COUNTY OR LOCAL GOVERNMENTAL PROHIBITIONS THAT WOULD PREVENT ISSUANCE OF THE REQUESTED PERMIT?

Yes No

CONTINUED

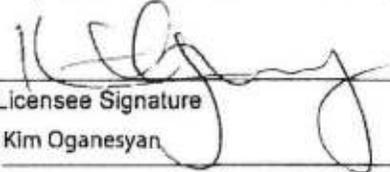
WARNING TO ALL LICENSEES:

MCL 436.2003 of the Liquor Control Code provides:

"A person who makes a false or fraudulent statement to the Commission, orally or in writing, for the purpose of inducing the Commission to act or refrain from taking action or for the purpose of enabling or assisting a person to evade the provisions of this act is guilty of a violation of this act and is punishable in the manner provided for in section 909."

By signing below, the licensee states that the foregoing statements and information submitted are true and submitted to the MLCC for the purpose of requesting that the MLCC grant permission for sale of spirits, mixed spirit drink, beer and wine from the licensed premises on Sunday, under the provisions of Section 1111, Section 1113 or Section 1115 of the Liquor Control Code. The licensee further states that Section 1003 of the Liquor Control Code is understood. This form is to be signed by individual licensees, all members of a partnership, a Limited Liability Manager, and/or member, or an Authorized officer of a corporation (indicate office held).

By signing below, the licensee also understands that should the local governmental unit or county within which the business is located prohibit the Sunday Sale of spirits, mixed spirit drink, beer or wine in the future, Sunday Sales will no longer be permitted pursuant to Section 1111, Section 1113 or Section 1115 of the Liquor Control Code and the permit will be terminated accordingly.



Licensee Signature Title
Kim Oganesy Licensing Manager, pursuant to Power of Attorney dated 12/05/13

Print Licensee Name Print Title Date
6/23/14

Licensee Signature Title

Print Licensee Name Print Title Date

Credit Card Information

If you fill this portion out, please fax the ENTIRE FORM to the secured fax number 517-322-5237.

Name: _____

Address: _____

City, State, Zip _____

MasterCard or Visa Transaction Amount: _____

Credit Card Number: _____ Exp. Date _____

Payment rendered for: _____

Signature _____ Date _____

NOTICE This form may be used for payment of goods and services offered by the Michigan Liquor Control Commission, with the exception of the purchase of alcoholic beverages.

ARTICLES OF ORGANIZATION
FOR CHIPOTLE MEXICAN GRILL OF COLORADO, LLC
A COLORADO LIMITED LIABILITY COMPANY

APR 30 1999 - CUSTOMER COPY
VICTORIA HUCKLEY
COLORADO SECRETARY OF STATE

The undersigned, a natural person of at least 18 years of age, acting as organizer of a limited liability company under the Colorado Limited Liability Company Act, adopts the following Articles of Organization for such limited liability company.

ARTICLE I
Name

19991002003 C
\$ 65.00
SECRETARY OF STATE
01-05-1999 16:49:23

The name of the limited liability company is Chipotle Mexican Grill of Colorado, LLC.

ARTICLE II
Principal Place of Business

The principal place of business of the limited liability company is 2546 Fifteenth Street, Denver, CO 80211.

ARTICLE III
Registered Agent

The registered agent of the limited liability company in this state is Messner & Reeves, LLC. The business address of the registered agent is 600 17th Street, Suite 2800-South, Denver, Colorado, 80202.

ARTICLE IV
Initial Manager

The management of the limited liability company shall be vested in managers rather than members. The name and business address of the initial manager who is to serve as manager until the first annual meeting of the members or until his successor is elected and qualified is as follows:

M. Steven Ells, Chief Executive Officer
Chipotle Mexican Grill, Inc.
2546 Fifteenth Street
Denver, CO 80211

IN WITNESS WHEREOF, I have signed these Articles of Organization this 31st day of December, 1998, and I acknowledge the same to be my true act and deed.



Montgomery F. Moran, Organizer
Messner & Reeves, LLC
600 17th Street, Suite 2800
Denver, Colorado 80202

Operating Agreement
of
Chipotle Mexican Grill of Colorado, LLC, a Colorado Limited Liability Company

This Operating Agreement (this "Agreement") is entered into this 16th day of June, 1999 by and between Chipotle Mexican Grill of Colorado, LLC (the "Company"), and Chipotle Mexican Grill, Inc., a Delaware corporation (the "Member").

Explanatory Statement

The Member desires to operate a limited liability company in accordance with the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the parties, intending legally to be bound, agree as follows:

Section I
Defined Terms

The following capitalized terms shall have the meanings specified in this Section I. Other terms are defined in the text of this Agreement; and, throughout this Agreement, those terms shall have the meanings respectively ascribed to them.

"*Act*" means the Colorado Limited Liability Company Act, as amended from time to time.

"*Agreement*" means this Agreement, as amended from time to time.

"*Cash Flow*" means all cash funds derived from operations of the Company (including interest received on reserves), without reduction for any noncash charges, but less cash funds used to pay current operating expenses and to pay or establish reasonable reserves for future expenses, debt payments, capital improvements, and replacements as determined by the General Manager.

"*Code*" means the Internal Revenue Code of 1986, as amended, or any corresponding provision of any succeeding law.

"*Company*" means the limited liability company formed in accordance with this Agreement.

"*CSOS*" means the Colorado Secretary of State.

"*General Managers*" are the Persons designated as such in *Section V*.

"*Member*" means Chipotle Mexican Grill, Inc., a Delaware corporation and any Person who subsequently is admitted as a member of the Company.

"*Membership Interest*" means a Person's share of the Profits and Losses of, and the right to receive distributions from, the Company.

"*Membership Rights*" means all of the rights of a Member in the Company, including a Member's: (i) Membership Interest; (ii) right to inspect the Company's books and records; and (iii) right to participate in the management of and vote on matters coming before the Company.

"*Person*" means and includes any individual, corporation, partnership, association, limited liability company, trust, estate, or other entity.

"*Profit*" and "*Loss*" means, for each taxable year of the Company (or other period for which Profit or Loss must be computed) the Company's taxable income or loss determined in accordance with the Code.

"*Regulation*" means the income tax regulations, including any temporary regulations, from time to time promulgated under the Code.

"*Transfer*" means, when used as a noun, any voluntary sale, hypothecation, pledge, assignment, attachment, or other transfer, and, when used as a verb, means, voluntarily to sell, hypothecate, pledge, assign, or otherwise transfer.

Section II

Formation and Name; Office; Purpose; Term

2.1. *Organization.* The Member, or its designated organizer, shall organize a limited liability company pursuant to the Act and the provisions of this Agreement and, for that purpose, has caused articles of organization to be executed and filed for record with the CSOS on January 5, 1999.

2.2. *Name of the Company.* The name of the Company shall be "Chipotle Mexican Grill of Colorado, LLC." The Company may do business under that name and under any other name or names upon which the General Managers select. If the Company does business under a name other than that set forth in its Articles of Organization, then the Company shall file a trade name certificate as required by law.

2.3. *Purpose.* The purpose of the Company is to engage in any lawful business including, but not necessarily limited to, acting as the licensee of various licenses and permits associated with the operation of Chipotle Mexican Grill restaurants.

2.4. *Term.* The term of the Company shall begin upon the acceptance of the Articles of Organization by the CSOS and shall continue perpetually, unless its existence is sooner terminated pursuant to *Section VII* of this Agreement.

2.5. *Principal Office.* The principal office of the Company in the State of Colorado shall be located at 2546 Fifteenth Street, Denver, Colorado 80211 or at any other place which the General Manager selects.

2.6. *Registered Agent.* The name and address of the Company's registered agent in the State of Colorado shall be Messner & Reeves, LLC, 600 17th Street, Suite 2800-South, Denver, Colorado 80202.

Section III
Member; Capital; Capital Accounts

3.1. *Initial Capital Contributions.* Upon the execution of this Agreement, the Member shall contribute to the Company cash in the amount of Five Hundred Dollars and No Cents (\$500.00).

3.2. *Additional Capital Contributions.* The Member shall not be required to contribute any additional capital to the Company, and shall have no personal liability for any obligation of the Company.

3.3. *No Interest on Capital Contributions.* The Member shall not be paid interest on its Capital Contribution.

3.4. *Return of Capital Contributions.* Except as otherwise provided in this Agreement, the Member shall not have the right to receive the return of any Capital Contribution.

3.5. *Loans.* The Member may, at any time, make or cause a loan to be made to the Company in any amount and on those terms upon which the Company and the Member agree.

Section IV
Profit, Loss, and Distributions

4.1. *Distributions of Cash Flow and Allocations of Profit or Loss.*

4.1.1. *Profit or Loss.* All Profit and Loss shall be allocated to the Member.

4.1.2. *Cash Flow.* Cash Flow for each taxable year of the Company shall be distributed to the Member no later than seventy-five (75) days after the end of the taxable year, or at such other time as the General Managers shall determine.

4.2. *Liquidation and Dissolution.*

4.2.1. If the Company is liquidated, the assets of the Company shall be distributed to the Member.

4.2.2. The Member shall not be obligated to restore any negative capital account.

4.3. *General.*

4.3.1. Except as otherwise provided in this Agreement, the timing and amount of all distributions shall be determined by the General Managers.

4.3.2. The General Managers are hereby authorized, upon the advice of the Company's tax counsel, to amend this Article IV to comply with the Code; provided, however, that no amendment shall materially affect distributions to the Member without the Member's prior written consent.

Section V
Management: Rights, Powers, and Duties

5.1. *Management.*

5.1.1. *General Managers.* The Company shall be managed by one or more General Managers. M. Steven Ells, John Miller and Kevin Reddy are hereby designated to serve as the General Managers.

5.1.2. *General Powers.* Each General Manager shall have full, exclusive, and complete discretion, power, and authority, subject in all cases to the other provisions of this Agreement and the requirements of applicable law, to manage, control, administer, and operate the business and affairs of the Company for the purposes herein stated, and to make all decisions affecting such business and affairs, including, without limitation, for Company purposes, the power to:

5.1.2.1. acquire by purchase, lease, or otherwise, any real or personal property, tangible or intangible;

5.1.2.2. construct, operate, maintain, finance, and improve, and to own, sell, convey, assign, mortgage, or lease any real estate and any personal property;

5.1.2.3. sell, dispose, trade, or exchange Company assets in the ordinary course of the Company's business;

5.1.2.4. enter into agreements and contracts and to give receipts, releases, and discharges;

5.1.2.5. purchase liability and other insurance to protect the Company's properties and business;

5.1.2.6. borrow money for and on behalf of the Company, and, in connection therewith, execute and deliver instruments authorizing the confession of judgment against the Company;

5.1.2.7. execute or modify leases with respect to any part or all of the assets of the Company;

5.1.2.8. prepay, in whole or in part, refinance, amend, modify, or extend any mortgages or deeds of trust which may affect any asset of the Company and in connection therewith to execute for and on behalf of the Company any extensions, renewals, or modifications of such mortgages or deeds of trust;

5.1.2.9. execute any and all other instruments and documents which may be necessary or in the opinion of the General Managers desirable to carry out the intent and purpose of this Agreement, including, but not limited to, documents whose operation and effect extend beyond the term of the Company;

5.1.2.10. make any and all expenditures which the General Managers, in their sole discretion, deems necessary or appropriate in connection with the management of the affairs of the Company and the carrying out of its obligations and responsibilities under this Agreement, including, without limitation, all legal, accounting, and other related expenses incurred in connection with the organization, financing, and operation of the Company;

5.1.2.11. enter into any kind of activity necessary to, in connection with, or incidental to, the accomplishment of the purposes of the Company;

5.1.2.12. invest and reinvest Company reserves in short-term instruments or money market funds; and

5.1.2.13. execute and enter into those instruments and documents necessary for acquiring any licenses and permits requires for the operation of a Chipotle Mexican Grill restaurant.

5.1.3. *Extraordinary Transactions.* Notwithstanding anything to the contrary in this Agreement, the General Managers shall not undertake any of the following without the approval of the Member:

5.1.3.1. any sale of all or substantially all of the assets of the Company;

5.1.3.2. the Company's lending more than \$10,000.00 of its money on any one occasion.

5.1.3.3. the admission of additional members to the Company; and

5.1.3.4. the Company's engaging in business in any jurisdiction which does not provide for the registration of limited liability companies.

5.2. *Meetings of and Voting by Member.* A meeting of the Member and the General Managers may be called at any time by either the Member or any General Manger. The Member may also act by written consent.

5.3. *Personal Services.*

5.3.1. The Member shall not be required to perform services for the Company solely by virtue of being a Member. Unless approved by the General Managers, the Member shall not perform services for the Company or be entitled to compensation for services performed for the Company.

5.3.2. Unless approved by the Member, the General Managers shall not be entitled to compensation for services performed for the Company. However, upon substantiation of the amount and purpose thereof, the General Managers shall be entitled to reimbursement for expenses reasonably incurred in connection with the activities of the Company.

5.4. Duties of Parties.

5.4.1. (1) A General Manager elected pursuant to this Operating Agreement shall perform his or her duties as a manager in good faith, in a manner he or she reasonably believes to be in the best interests of the limited liability company, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. A Person who so performs his duties shall not have any liability by reason of being or having been a General Manager of the Company.

(2) In performing his duties, a General Manager shall be entitled to rely on information, opinions, reports, or statements of the following persons or groups unless he has knowledge concerning the matter in question that would cause such reliance to be unwarranted:

(a) One or more employees or other agents of the Company whom the manager reasonably believes to be reliable and competent in the matters presented;

(b) Any attorney, public accountant, or other person as to matters which the General Manager reasonably believes to be within such person's professional or expert competence; or

(c) A committee upon which he does not serve, duly designated in accordance with a provision of the Articles of this Organization or this Agreement, as to matters within its designated authority, which committee the General Manager reasonably believes to merit confidence.

Section 7-108-501 of the Colorado Business Corporation Act (entitled "conflicting interest transaction") shall apply to contracts or other transactions between the Company and any of its General Managers or committee members and any other entity in which any of its General Managers or committee members is a director or has a material financial interest; provided that references therein to the "corporation" shall be deemed to be to the Company, references to a "director" shall be deemed to be to the General Managers, references to "shareholders" shall be deemed to be to the "Member," and references to the "board of directors" shall be to the "Management Committee," if one is appointed.

5.5. Liability and Indemnification.

5.5.1. The General Managers shall not be liable, responsible, or accountable, in damages or otherwise, to any Member or to the Company for any act performed by the General Managers within the scope of the authority conferred on the General Managers by this Agreement, except for actions or omissions constituting fraud, gross negligence, or an intentional breach of this Agreement or applicable law.

5.5.2. The Company shall indemnify the General Managers for any act performed by the General Managers within the scope of the authority conferred on the General Managers by this Agreement, except for actions or omissions constituting fraud, gross negligence, or an intentional breach of this Agreement or applicable law. The Company shall promptly notify the Members whenever a General Manager has been so indemnified by the Company.

5.6. *Power of Attorney*

5.6.1. *Grant of Power.* The Member constitutes and appoints each General Manager as the Member's true and lawful attorney-in-fact ("Attorney-in-Fact"), and in the Member's name, place and stead, to make, execute, sign, acknowledge, and file:

5.6.1.1. one or more articles of organization;

5.6.1.2. all documents (including amendments to articles of organization) which the Attorney-in-Fact deems appropriate to reflect any amendment, change, or modification of this Agreement;

5.6.1.3. any and all other certificates or other instruments required to be filed by the Company under the laws of the State of Colorado or of any other state or jurisdiction, including, without limitation, any certificate or other instruments necessary in order for the Company to continue to qualify as a limited liability company under the laws of the State of Colorado;

5.6.1.4. one or more fictitious or trade name certificates; and

5.6.1.5. all documents which may be required to dissolve and terminate the Company and to cancel its articles of organization.

5.6.1.6. all documents required to obtain necessary or desired permits and licenses in the various states in which the Company operates in connection with the operation of "Chipotle Mexican Grill" restaurants.

5.6.2. *Irrevocability.* The foregoing power of attorney is irrevocable and is coupled with an interest, and, to the extent permitted by applicable law, shall survive the death or disability of a Member. It also shall survive the Transfer of an Interest, except that if the transferee is approved for admission as a Member, this power of attorney shall survive the delivery of the assignment for the sole purpose of enabling the Attorney-in-Fact to execute, acknowledge, and file any documents needed to effectuate the substitution. Each Member shall be bound by any representations made by the Attorney-in-Fact acting in good faith pursuant to this power of attorney, and each Member hereby waives any and all defenses which may be available to contest, negate, or disaffirm the action of the Attorney-in-Fact taken in good faith under this power of attorney.

Section VI Transfer of Interests and Withdrawals of Members

6.1. *Transfers.*

6.1.1. The Member may freely Transfer all or any portion of or any interest or rights in its Membership Rights or Membership Interest.

6.1.2. The Transfer of a Membership Interest pursuant to this Section 6.1 shall not result, however, in the Transfer of any of the transferor's other Membership Rights, if any, and the transferee of the Membership Interest shall have no right to become a Member or exercise any Membership Rights other than those specifically pertaining to the ownership of a Membership Interest. Unless otherwise agreed by remaining Members holding a majority of Percentages.

6.2 *Amendment to Operating Agreement.* Upon transfer of Membership Rights, if less than all of the Membership Rights, the Member and the transferee shall adopt such amendments to this Operating Agreement in order to facilitate the taxation of the Company as a partnership for purposes of state and federal income tax laws.

Section VII Dissolution, Liquidation, and Termination of the Company

7.1. *Events of Dissolution.* the Company shall be dissolved upon the written election of the Member.

7.2. *Liquidating Trustee.* If the Company is dissolved, the General Managers shall liquidate the Company. The General Managers shall liquidate and reduce to cash the assets of the Company as promptly as is consistent with obtaining a fair value therefor and, unless otherwise required by law, shall apply and distribute the proceeds of liquidation, as well as any other Company assets, first, to the payment of creditors of the Company, including the Member in his/her/its capacity as a creditor, in satisfaction of the liabilities of the Company; then to the Member.

7.3. *Filing of Statement of Intent to Dissolve and Articles of Dissolution.* If the Company is dissolved pursuant to Section 7.1, the General Managers shall promptly file a Statement of Intent to Dissolve with the CSOS. After the affairs of the Company are wound up pursuant to Section 7.2, the General Manager shall promptly execute and file Articles of Dissolution with the CSOS. If there is no General Manager, then the Articles of Cancellation shall be filed by the Member; failing this, the Articles shall be filed by the legal or personal representatives of the Person who last was the Member.

Section VIII Books, Records, Accounting, and Tax Elections

8.1. *Bank Accounts.* All funds of the Company shall be deposited in a bank account or accounts maintained in the name of the Company or the Member. The General Managers shall determine the institution or institutions at which the accounts will be opened and maintained, the types of accounts, and the Persons who will have authority with respect to the accounts and the funds therein.

8.2. *Books and Records.* The General Managers shall keep or cause to be kept complete and accurate books and records of the Company and supporting documentation of transactions with respect to the conduct of the Company's business. The books and records shall be maintained in accordance with sound accounting practices and shall be available at the Company's registered office for inspection and copying at the reasonable request, and at the expense, of the Member

during ordinary business hours. Without limiting any of the foregoing, the General Managers shall keep or cause to be kept at the office of the registered agent or at the principal place of business the following:

8.2.1. A current listing of the full name and last known business, residence, or mailing address of the Member and each Manager, both past and present;

8.2.2. A copy of the articles of organization and all amendments thereto, together with executed copies of any powers of attorney pursuant to which any amendment has been executed;

8.2.3. If applicable, copies of the Company's federal, state, and local income tax returns and reports, if any, for the three most recent years;

8.2.4. If applicable, copies of any currently effective Agreement, copies of any writings regarding contributions of members or members' liability therefor, and copies of any financial statements of the Company for the three most recent years;

8.2.5. A statement which describes the amount of cash and, if applicable, a description and statement of the agreed value of the other property or services contributed by the Member.

8.3. *Annual Accounting Period.* The annual accounting period of the Company shall be its taxable year. The Company's taxable year shall be selected by the General Managers, subject to the requirements and limitations of the Code.

8.4. *Reports.* At the request of the Member, the Managers shall provide to the Member any reports required by the Act.

8.5. *Tax Elections.* The General Managers shall not have the authority to make any Company elections under the Code.

8.6. *Title to Company Property.* All real and personal property acquired by the Company shall be held and owned, and conveyance made, by the Company in its name.

Section IX General Provisions

9.1. *Assurances.* The Member shall execute all such certificates and other documents and shall do all such filing, recording, publishing, and other acts as the General Managers deem appropriate to comply with the requirements of law for the formation and operation of the Company and to comply with any laws, rules, and regulations relating to the acquisition, operation, or holding of the property of the Company.

9.2. *Notifications.* Any notice, demand, consent, election, offer, approval, request, or other communication (collectively a "notice") required or permitted under this Agreement must be in writing and either delivered personally or sent by certified or registered mail, postage prepaid,

return receipt requested. Any notice to be given hereunder by the Company shall be given by the General Managers. A notice must be addressed to the Member at the Member's last known address on the records of the Company. A notice to the Company must be addressed to the Company's principal office. A notice delivered personally will be deemed given only when acknowledged in writing by the person to whom it is delivered. A notice that is sent by mail will be deemed given three (3) business days after it is mailed. Any party may designate, by notice to all of the others, substitute addresses or addressees for notices; and, thereafter, notices are to be directed to those substitute addresses or addressees.

9.3. *Complete Agreement.* This Agreement constitutes the complete and exclusive statement of the agreement among the Member and the Company. It supersedes all prior written and oral statements, agreements or understandings, including any prior representation, statement, condition, or warranty. Except as expressly provided otherwise herein, this Agreement may not be amended without the written consent of all the Members.

9.4. *APPLICABLE LAW.* ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, AND INTERPRETATION OF THIS AGREEMENT AND THE PERFORMANCE OF THE OBLIGATIONS IMPOSED BY THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAW, NOT THE LAW RELATING TO CONFLICTS OF LAWS, OF THE STATE OF COLORADO.

9.5. *Section Titles.* The headings herein are inserted as a matter of convenience only, and do not define, limit, or describe the scope of this Agreement or the intent of the provisions hereof.

9.6. *Binding Provisions.* This Agreement is binding upon, and inures to the benefit of, the parties hereto and their respective heirs, executors, administrators, personal and legal representatives, successors, and permitted assigns.

9.7. *Jurisdiction and Venue.* Any suit involving any dispute or matter arising under this Agreement may only be brought in the United States District Court for the District of Colorado or any Colorado State Court having jurisdiction over the subject matter of the dispute or matter. All Members hereby consent to the exercise of personal jurisdiction by any such court with respect to any such proceeding.

9.8. *Terms.* Common nouns and pronouns shall be deemed to refer to the masculine, feminine, neuter, singular, and plural, as the identity of the Person may in the context require.

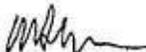
9.9. *Separability of Provisions.* Each provision of this Agreement shall be considered separable; and if, for any reason, any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid.

9.10. *Counterparts.* This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same document. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

IN WITNESS WHEREOF, the parties have executed, or caused this Agreement to be executed, as of the date set forth hereinabove.

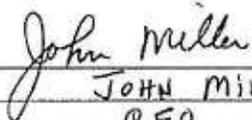
COMPANY

CHIPOTLE MEXICAN GRILL, LLC,
a Colorado limited liability company

By: 
Name: M. Steven Ellis
Title: Initial Manager

MEMBER

CHIPOTLE MEXICAN GRILL, INC.,
a Delaware corporation

By: 
Name: JOHN MILLER
Title: CFO



Michigan Department of Licensing and Regulatory Affairs
Liquor Control Commission (MLCC)
7150 Harris Drive, P.O. Box 30005 - Lansing, Michigan 48909-7505
Toll Free (866) 813-0011 • www.michigan.gov/lcc

Business ID: _____
Request ID: _____
(For MLCC use only)

Local Government Approval

(Authorized by MCL 436.1501)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new license application and/or a new banquet facility permit.

Instructions for Local Legislative Body:

- Complete this resolution, or provide a resolution, along with certification from the clerk, or adopted minutes from the meeting at which this request was considered.

At a _____ meeting of the _____ Northville _____ council/board
(regular or special) (township, city, village)

called to order by _____ on _____ at _____
(date) (time)

the following resolution was offered:

Moved by _____ and supported by _____

that the application from _____ Chipotle's Mexican Grill of Colorado, LLC _____
(name of applicant)

for the following license(s): _____ Tavern License to be reclassified as a Class C license

to be located at _____

and the following permit, if applied for:

[] Banquet Facility Permit Address of Banquet Facility: _____

It is the consensus of this body that it _____ this application be considered for
(recommends/does not recommend)

approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the _____
council/board at a _____ meeting held on _____ (township, city, village)
(regular or special) (date)

Name and title of authorized clerk (please print): _____

Signature of authorized clerk and date: _____

Phone number and e-mail of authorized officer: _____

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.