

**UNITED STATES DISTRICT
EASTERN DISTRICT OF MICHIGAN (BAY CITY)**

PRIME ALLIANCE BANK, INC.,
a Utah banking corporation;
and SERTANT CAPITAL, LLC,
a Delaware limited liability company,

Case No. 1:23-cv-10564-LJM-PTM
Hon. Laurie J. Michelson

Plaintiffs

v.

THE GREAT LAKES TISSUE COMPANY,
a Michigan corporation, TISSUE DEPOT, INC., a
Wisconsin corporation, CHEBOYGAN ENERGIES
& BIOFUELS CORP., a Wisconsin corporation,
Defendants.

JOSEPH GREKIN
Counsel for Plaintiffs
SCHAFER AND WEINER, PLLC
40950 Woodward Ave., Suite 100
Bloomfield Hills, MI 48304
Tel: 248.540.3340
jgrekin@schaferandweiner.com

ROBERT S. MCWHORTER (P49215)
Counsel for Plaintiffs
BUCHALTER, A PROFESSIONAL CORPORATION
500 Capitol Mall, Ste. 1900
Sacramento, California 95762
Tel: (916) 899-1099
rmcwhorter@buchalter.com

**PLAINTIFFS' *EX PARTE* MOTION FOR AN EXPEDITED HEARING
ON PLAINTIFFS' VERIFIED SECOND
MOTION FOR POSSESSION AND INJUNCTIVE RELIEF**

Plaintiffs Prime Alliance Bank, Inc. (“PAB”) and Sertant Capital, LLC (“Sertant”) (collectively, “Plaintiffs”) request an entry of an *ex-parte* order authorizing an expedited hearing on a Second Motion for Possession and Injunctive Relief (“Second Motion”) that will be filed contemporaneously with this Motion. As part of this order, Plaintiffs request that this Court establish a briefing schedule as this Court deems just and equitable. Good cause exists to conduct an expedited hearing on the Second Motion. This Motion is based on the accompanying brief, the Second Motion, all papers filed in connection with the Second Motion, including, but not limited to, the Declaration of Donald Dailey (Cheboygan’s Fire Chief) and Robert S. McWhorter, the Verified First Amended Complaint (ECF No. 40) and all papers filed with this Court.

Under E.D. Mich. L.R. 7.1, Plaintiffs’ counsel spoke with Thomas Janczewski and Timothy Hansen, counsel for Defendant, The Great Lakes Tissue Company. He could not concur with the relief sought. Plaintiffs’ counsel requested that counsel arrange a conference call to discuss the relief requested. Plaintiffs’ counsel called Donald Swenson, the last known director for Tissue Depot, Inc. and Cheboygan Energies & Biofuel. Concurrence could not be obtained.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enter an order granting an expedited hearing on the Second Motion, setting a briefing

schedule, and granting other relief as is just and equitable. A proposed Order will be separately submitted per Rule 12 of the Eastern District of Michigan's Electronic Filing Policies and Procedures.

Dated: October 23, 2023

BUCHALTER, a Professional Corporation

By: /s/ Robert S. McWhorter

ROBERT S. MCWHORTER (P49215)

Counsel for Plaintiffs

500 Capitol Mall, Ste. 1900

Sacramento, CA 95762

Tel:(916) 899-1099

rmcwhorter@buchalter.com

**UNITED STATES DISTRICT
EASTERN DISTRICT OF MICHIGAN (BAY CITY)**

PRIME ALLIANCE BANK, INC.,
a Utah banking corporation;
and SERTANT CAPITAL, LLC,
a Delaware limited liability company,

Case No. 1:23-cv-10564-LJM-PTM
Hon. Laurie J. Michelson

Plaintiffs

v.

THE GREAT LAKES TISSUE COMPANY,
a Michigan corporation, TISSUE DEPOT, INC., a
Wisconsin corporation, CHEBOYGAN ENERGIES
& BIOFUELS CORP., a Wisconsin corporation,

Defendants.

JOSEPH GREKIN
Counsel for Plaintiffs
SCHAFFER AND WEINER, PLLC
40950 Woodward Ave., Suite 100
Bloomfield Hills, MI 48304
Tel: 248.540.3340
jgrekin@schaferandweiner.com

ROBERT S. MCWHORTER (P49215)
Counsel for Plaintiffs
BUCHALTER, A PROFESSIONAL CORPORATION
500 Capitol Mall, Ste. 1900
Sacramento, California 95762
Tel: (916) 899-1099
rmcwhorter@buchalter.com

**BRIEF IN SUPPORT OF PLAINTIFFS' *EX PARTE* MOTION FOR AN
EXPEDITED HEARING ON PLAINTIFFS' VERIFIED SECOND MOTION
FOR POSSESSION AND INJUNCTIVE RELIEF**

STATEMENT OF ISSUES PRESENTED

Whether the Court should order immediate and expedited hearing on Plaintiffs' Verified Second Motion For Possession and Injunctive Relief where good cause exists?

Plaintiffs say: "Yes."

Defendants, presumably, say: "No."

I. INTRODUCTION

This Court must grant an expedited hearing on the Second Verified Motion for Possession and Injunctive Relief (“Second Motion”) filed by Plaintiffs Prime Alliance Bank, Inc. (“PAB”) and Sertant Capital, LLC (“Sertant”) (collectively, “Plaintiffs”). Plaintiffs face dire circumstances that threaten the equipment (“Equipment”) they own. After a fire broke out on September 13, 2023, the Equipment was abandoned in a paper mill operated by Tissue Depot, Inc. (“Tissue Depot”) (which was operated by The Great Lakes Tissue Company (“GLT”)) that is now closed, without employees, gas, electricity, or an operable fire suppression system. The basement below the Equipment has flooded, causing a portion of the Equipment to be in water. Plaintiff justifiably fears that if this Court does not act quickly, the Equipment and other value assets of GLT may be damaged, destroyed, disposed of, or concealed. Thus, Plaintiffs request an expedited hearing because a standard 21-day period for briefing schedule will unduly delay this Court’s consideration of this matter, thereby placing the Equipment at risk.

II. PROCEDURAL BACKGROUND

On March 10, 2023, Plaintiffs filed a complaint against The Great Lakes Tissue Company (“GLT”), seeking to recover the Equipment. (ECF No. 1.)

On March 16, 2023, Plaintiff filed a verified motion to recover possession of the Equipment (“First Motion”). (ECF No. 16.)

On April 12, 2023, this Court enjoined GLT and its agents, representatives, employees, officers, directors, shareholders, and other persons acting on its behalf “shall refrain from damaging, destroying, concealing, disposing of, moving, or using. . . [the Equipment] . . . so as to substantially impair its value.” (ECF No. 24.) This Court denied the First Motion without prejudice and entered a preliminary injunction continuing this relief with respect to GLT and, its successor/alter ego, Tissue Depot, Inc. (“Tissue Depot”). (ECF No. 38.)

On October 2, 2023, Plaintiffs filed their First Amended Complaint (“FAC”), adding Tissue Depot and Cheboygan Energies & Biofuels Corp. (“CEB”). (ECF No. 40.) Plaintiffs served the FAC upon Tissue Depot’s President, Ken Schleben, and Tissue Depot and CEB’s Director, Donald Swenson. Proofs of service will be separately filed with this Court.

On October 23, 2023, Plaintiffs filed, or will be filing, the Second Motion.

From September 29, 2023, to October 11, 2023, Plaintiffs’ counsel emailed GLT’s counsel to inquire about the condition of the Equipment without receiving any response. (McWhorter Decl., Exs. A-D.) Finally, on October 11, 2023, Plaintiffs’ counsel received an email from GLT’s counsel that the Equipment was not damaged

from the fire. (McWhorter Decl., Ex. E.) On the same day, GLT's counsel filed a motion to withdraw, claiming he was unpaid and unable to communicate with GLT. (ECF No. 46.) After that, Plaintiffs' counsel investigated the status of the Equipment.

III. GOOD CAUSE EXISTS TO ENTER AN *EX-PARTE* ORDER SCHEDULING AN EXPEDITED HEARING ON THE SECOND MOTION

A. THIS COURT MAY EXPEDITE BRIEF SCHEDULES AND A HEARING ON MOTIONS

Under Local Rule 7.1(e), a "standard briefing schedule" requires that responses to motions must be filed within 14 days after service of the Motion. E.D. Mich. L.R. 7.1(e)(1). It further requires that a reply brief be filed within 7 days after service of the response, but at least 3 days before the motion hearing. *Id.* For a motion for injunctive relief, an enlarged briefing schedule applies; response briefs are due within 21 days of service, and reply briefs are due 14 days later. E.D. Mich. L.R. 7.1(e)(2)(A).

However, this Court possesses the inherent authority to expedite the hearing on a motion upon a showing of good cause. *Lyons-Bey v. Campbell*, No. 5:16-CV-13797, 2018 U.S. Dist. LEXIS 11001, at *6 (E.D. Mich. Jan. 24, 2018) (good cause required to expedite); *Perotti v. Marlberry*, No. 05-60172, 2012 U.S. Dist. LEXIS 106765, at *6 (E.D. Mich. July 31, 2012) (court has inherent power to regulate actions pending before it, including the authority to hear motions). A court has inherent power to

control its docket and the disposition of its cases with economy of time and effort for both the court and the parties. *Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936); see also *Johnson v. Allison*, No. 1:12-cv-01210-SKO-HC, 2013 U.S. Dist. LEXIS 11931, at *2 (E.D. Cal. Jan. 28, 2013).

B. GOOD CAUSE EXISTS TO EXPEDITE THE BRIEFING SCHEDULE AND HEARING ON THE SECOND MOTION

Good cause exists to enter an ex-parte order scheduling an expedited briefing schedule and hearing on the Second Motion because this Court’s existing preliminary injunction can no longer protect the Equipment from the dire circumstances it faces caused by fraudulent transfers, corporate closures, and a catastrophic fire. The facts described below are supported by the evidence and declarations filed supporting the Second Motion. All citations shall be to this evidence.

1. AN EXPEDITED HEARING IS NECESSARY TO PREVENT THE EQUIPMENT FROM BEING DAMAGED, DESTROY, DISPOSED OR CONCEALED

Upon learning that Plaintiffs filed this action, GLT fraudulently transferred all its assets, encompassing its operations, workforce, facilities, inventory, and customers, to Tissue Depot. Of note, GLT transferred the Equipment and environmental permits (“Environmental Permits”) valued at \$21 million to Tissue Depot. (Declaration of Robert S. McWhorter (“McWhorter Decl.”), Ex. G [Swenson Dep., pp. 15:25-16:1, 43:14-48:12], Ex. F [Schleben Dep., pp.103:25-104:5]; Ex. H

[Swenson Dep., pp. 13:5-20:4, 25:23-31:21)].) To elude its creditors, GLT transferred its assets without receiving reasonably equivalent compensation, rendering it devoid of assets. (McWhorter Decl., Ex. G [Swenson Dep., pp. 46:1-9] Ex. H [Swenson Dep., pp. 13:5-14:4; 27:7-35:9].) GLT's and Tissue Depot's director, Donald Swenson, admitted that management decided to transfer all of the assets from GLT to Tissue Depot because GLT was a "dirty corporation" due to its "liens [and] debts." (McWhorter Decl., Ex. G, [Swenson Dep., pp. 60:20-61:14]) This transfer rendered GLT a defunct company. (McWhorter Decl., Ex. F [Schleben Dep., pp. 106:4-106:6]; Ex. G [Swenson Dep., pp. 43:7-13].)

On September 13, 2023, a destructive fire engulfed Tissue Depot's warehouse, which lacked an operable fire suppression system, leaving it in ruins. (Declaration of Donald Dailey ("Dailey Decl."), ¶¶ 3, 6, Ex. 1.) This calamity rendered the warehouse inoperable, leading to the dismissal of all employees and the abandonment of the Equipment. (Dailey Decl., ¶¶ 7, 8.) The Equipment now languishes in an unsuitable and perilous environment within a disused and dilapidated paper mill, lacking fundamental utilities such as a fire suppression system, electricity, gas, and heat. (Dailey Decl., ¶ 7, 8.) Additionally, it is situated in a basement that is flooded due to an inoperable sump pump. Because of a roof collapse, the paper mill's exterior wall has been covered by plywood, inviting

vagrants and other unauthorized parties to access the premises and cause potential damage to the Equipment. (Daley Decl., ¶ 7, 9.)

Plaintiffs have not delayed in bringing this Motion. Upon discovering the fire, Plaintiffs' counsel Plaintiffs' counsel emailed GLT's counsel to inquire about the condition of the Equipment without receiving any response. (McWhorter Decl., Exs. A-D.) From September 28, 2023, to October 11, 2023, Plaintiffs' counsel did not receive a reponse. Finally, on October 11, 2023, Plaintiffs' counsel received an email from GLT's counsel that the Equipment was not damaged from the fire. (McWhorter Decl., Ex. E.) On the same day, GLT's counsel filed a motion to withdraw, claiming he was unpaid and unable to communicate with GLT. (ECF No. 46.) After that, Plaintiffs' counsel investigated the status of the Equipment, which led to the filing of the Second Motion.

In addition to the abandoned fire, another threat exists that warrants an expedited hearing. Homco Paper XI LLC, as GLT/Tissue Depot's landlord, issued a seven-day notice to vacate the Paper Mill and intends to commence eviction proceedings on or after October 20, 2023. (McWhorter Decl., ¶ 4.) This eviction puts the Equipment at risk because the Equipment would fall into the hands of a third party who has no contractual obligations to Plaintiffs, thereby making the Equipment vulnerable to potential damage or loss.

Thus, this Court should conduct an expedited hearing on the Second Motion so that this Court may address the imminent threat looming over the Equipment and to prevent its destruction, damage, disposal, or concealment. If this Court follows its “standard brief schedule,” this Court will not address the Second Motion for at least 21 days, which is too long. The fact that GLT may be required to seek new counsel should not delay this hearing.

2. Expedited Hearing Is Needed To Enjoin Defendants from Transferring the Environmental Permits To a Third Party

Under the Lease, in addition to the return of the Equipment, Plaintiffs are owed over \$2.2 million plus interest, late charges, and attorneys fees. (ECF No. 40 [Compl., ¶ 44, Ex. 9].) Using history as a yardstick, Defendants’ multiple transfers demonstrate that they cannot be trusted to administer their own assets without this Court’s supervision. As such, Plaintiffs justifiably believe that Defendants will transfer and dissipate the Environmental Permits to unknown third parties to circumvent the satisfaction of Plaintiffs’ monetary claim, especially given that Defendants are no longer operating and the paper mill is closed with an eviction imminent. (McWhorter Decl., ¶ 9.) If this occurs, Defendants will be judgment-proof, leaving Plaintiffs without a source of funds to satisfy its monetary claim.

This Court must conduct an expedited hearing so that it can undertake measures to safeguard the Environmental Permits, which constitute the sole

remaining asset of GLT and/or Tissue Depot. Additionally, GLT and Tissue Depot must be obligated to escrow the Environmental Permits with this Court (i.e., file them with this Court), along with certification of their current ownership, to enable the Court's oversight of this valuable remaining asset.

IV. CONCLUSION

Plaintiffs request that this Court enter an exparte order authorizing an expedited hearing on the Second Motion, setting a briefing schedule and granting other relief as is just and equitable.

Dated: October 23, 2023

BUCHALTER, a Professional Corporation
By: /s/ Robert S. McWhorter
ROBERT S. MCWHORTER (P49215)
Counsel for Plaintiffs
500 Capitol Mall, Ste. 1900
Sacramento, CA 95814
Tel:(916) 899-1099
rmcwhorter@buchalter.com

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

PRIME ALLIANCE BANK, INC.,
a Utah banking corporation;
and SERTANT CAPITAL, LLC,
a Delaware limited liability company,

Plaintiff(s),

v.

THE GREAT LAKES TISSUE
COMPANY, a Michigan corporation,
TISSUE DEPOT, INC., a Wisconsin
corporation, CHEBOYGAN ENERGIES
& BIOFUELS CORP., a Wisconsin
corporation,,

Defendant(s).

Case No. 1:23-cv-10564-LJM-PTM
Honorable Laurie J. Michelson

BRIEF FORMAT CERTIFICATION FORM

I, Robert S. McWhorter, hereby certify that the foregoing brief complies with Eastern District of Michigan Local Rules 5.1(a), 5.1.1, and 7.1 and Judge Michelson's Case Management Requirements. In particular, I certify that each of the following is true (click or check box to indicate compliance):

- ☐ the brief contains a statement regarding concurrence, *see* LR 7.1(a);
- ☒ the brief, including footnotes, uses 14-point font, *see* LR 5.1(a)(3);
- ☒ the brief contains minimal footnotes and, in all events, no more than 10, *see* Case Management Requirements § III.A;
- ☒ the brief and all exhibits are searchable .pdfs, *see* Case Management Requirements § III.A;
- ☒ the brief is double spaced (except for footnotes and necessary block quotes) with one-inch margins, *see* LR 5.1(a)(2);
- ☒ deposition transcripts have been produced in their entirety and not in minuscrit, *see* Case Management Requirements § III.A;

☐ if the brief and exhibits total 50 pages or more, a courtesy copy with ECF headers will be sent to chambers, *see* Case Management Requirements § III.B.

I also acknowledge that if the Court later finds that these requirements are not met, my brief will be stricken.

/s/ Robert S. McWhorter
Dated: October 23, 2023

**UNITED STATES DISTRICT
EASTERN DISTRICT OF MICHIGAN (BAY CITY)**

PRIME ALLIANCE BANK, INC.,
a Utah banking corporation;
and SERTANT CAPITAL, LLC,
a Delaware limited liability company,

Case No. 1:23-cv-10564-LJM-PTM
Hon. Laurie J. Michelson

Plaintiffs

v.

THE GREAT LAKES TISSUE COMPANY,
a Michigan corporation, TISSUE DEPOT, INC., a
Wisconsin corporation, CHEBOYGAN ENERGIES
& BIOFUELS CORP., a Wisconsin corporation,

Defendants.

_____/

JOSEPH GREKIN
Counsel for Plaintiffs
SCHAFFER AND WEINER, PLLC
40950 Woodward Ave., Suite 100
Bloomfield Hills, MI 48304
Tel: 248.540.3340
jgrekin@schaferandweiner.com

ROBERT S. MCWHORTER (P49215)
Counsel for Plaintiffs
BUCHALTER, A PROFESSIONAL CORPORATION
500 Capitol Mall, Ste. 1900
Sacramento, California 95762
Tel: (916) 899-1099
rmcwhorter@buchalter.com

_____/

DECLARATION OF DONALD DAILEY

I, Donald Dailey, declare:

1. I am making this Declaration based on personal knowledge and state affirmatively that if called as a witness, I can testify competently to the facts set forth in this Declaration.

Background

2. Since 1995, I have served as a firefighter and served as the Fire Chief for Cheboygan, Michigan since 2017. As Fire Chief, I am the administrative and technical head of the fire department for Cheboygan. As such, I supervise all activities and operations of the fire department, including fire extinguishment, pre-fire planning, fire prevention, and fire investigation. I oversee property inspections to take proper precautionary measures to ensure that fires will not rekindle and further endanger life or property and that properties have fire suppression systems as required by applicable law.

Fire At The Great Lakes Tissue Company/Tissue Depot, Inc.

3. On September 13, 2023, a fire broke out at 502 S. Main Street, Cheboygan, Michigan (“Warehouse”), a warehouse used by Tissue Depot, Inc. (“Tissue Depot”) (formerly The Great Lakes Tissue Company) to store paper byproduct, plastic, and other items. The Warehouse is across from the main building containing Tissue Depot’s papermill located at 437 S. Main, Cheboygan, Michigan (“Papermill”). Fire crews from nine fire departments, along with the Cheboygan County Sheriff’s Department, Cheboygan City Police Department, and the Michigan State Police, responded to the fire scene.

4. The cause of the fire is undetermined. The fire caused extensive damage to the Warehouse. The fire started in the Warehouse where no employees were working. There were no injuries to any employees or firefighters on the scene. After the fire, fencing has been installed around the fire’s site, including the Warehouse.

Residents are required to stay outside of the fenced area. The fire also resulted in the closure of a portion of Main Street.

5. I was present during the time of the fire at the Warehouse. I have also visited the Warehouse, the Papermill, and surrounding areas. Attached as **Exhibit 1** are photographs that are fair, accurate, and true depictions of the fire and the condition of the Warehouse following the fire.

6. The Warehouse and the Papermill use the same fire suppression system, which includes a fire sprinkler system to extinguish, control, or, in some cases, entirely prevent fires from spreading. The fire suppression system for the Papermill and Warehouse does not comply with current building code requirements. The fire suppression system was inoperable in the Warehouse at the time of the fire see **Exhibit 2**. Without an operable system, the fire was allowed to burn uncontrollably, consuming the paper byproducts and other materials in the Warehouse. Had the Warehouse had an operable fire suppression system, the damage caused by the fire would not have been as extensive.

7. The Papermill is currently not operating. It is boarded up and closed. Because of the demolition of a portion of the building housing the Papermill after the roof collapsed in December 2022, a temporary wall made from plywood serves as one of the exterior walls. The Papermill does not have any gas or electricity. During the fire, I called Consumers Energy to discontinue the power to the Warehouse and learned the utility intended to discontinue service the following week due to unpaid bills. The gas supply was disconnected at the time of the fire.

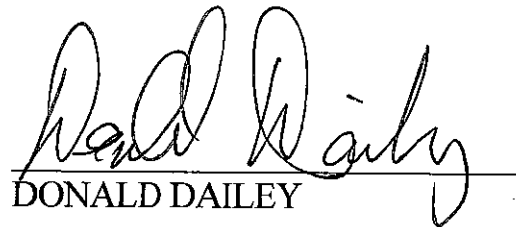
8. After the fire I sent a letter to Cheboygan County Building Code Department asking that the department consider not issuing a certificate of occupancy to the Papermill until the fire suppression system was shown to be operable. A true and correct copy of this letter is attached to this Declaration as **Exhibit 2**.

9. Upon inspection of the Papermill after the fire, I saw that the basement of the Papermill was flooded because the sump pump was inoperable, presumably due to a lack of energy or gas. Some of the paper-making equipment runs through the basement and, thus, may be damaged by the water collecting in the basement.

10. Sections of the Warehouse and the overhead conveyor system that are at risk of collapsing will be demolished by the owner and its contractors and/or the Environmental Protection Agency and its contractors. Because the fire burned the wall supporting the conveyor system, the conveyor system is unstable. As a result, that portion of Main Street/M-27 has been closed since the fire occurred.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 17, 2023.


DONALD DAILEY

State of Michigan)
)ss.
County of Cheboygan)

On this 17th day of October, 2023, before me, a Notary Public in and for said County, personally appeared Donald Dailey, personally known to me, who executed the foregoing instrument and acknowledged the same to be his free act and deed.

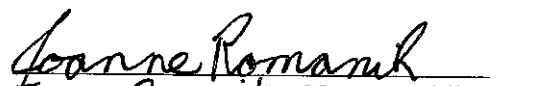

Joanne Romanik, Notary Public
State of Michigan, County of Cheboygan
My Commission Expires: 4-18-2025
Acting in the County of Cheboygan

EXHIBIT 1

EXHIBIT 1











EXHIBIT 2



403 N Huron St
PO Box 39
Cheboygan, MI 49721
231-627-9931
www.cheboygan.org

September 27, 2023

Mr. Jeff Lawson
County Administrator
Cheboygan County 49721

Dear Mr. Lawson,

On September 26, 2023, the City had a detailed conversation with Kevin Sehmeyer, Michigan State Fire Marshall, on the fire at the Tissue Depot Warehouse in Cheboygan. Participating in the call was Chief Dailey, Chief Rifenberg, and City Manager Daniel Sabolsky. During this call, the City decided that urgent action is needed by a number of federal, state, and local agencies to insure the health, safety, and welfare of the City Cheboygan, its residents, and local businesses in this community. Over the last thirty years, the tissue plant and the warehouse has violated OHSA, EGLE, EPA, DNR, state building and fire codes. But most of these issues have not been fully abated and were evident in the aftermath of the fire. The City is hoping, that the most pressing issues at the severely damaged warehouse, will be addressed in the coming months. Now, the City's concerns focus on the manufacturing facility located on the east side of Main Street (M - 27).

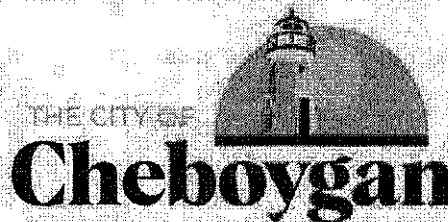
The City is requesting, that before the businesses (Tissue Depot, Cheboygan Energy Biofuels, and any other entities associated with these two buildings) are allowed to re-open, all relevant regulatory agencies perform mandatory inspections on all properties associated with the various businesses (see above) and properties (Owned by Thomas Homco and his associated LLCs). Currently, the fire suppression system at the manufacturing plant has not had the yearly inspection and testing as required by NFPA 25 4.1.1 for a number of years. Presently, without active electric and gas service, fire suppression system, business insurance, and property insurance (questionable if it does exist), this creates a huge liability risk to the businesses and residents of this community.

The City, under the authority of our Fire Chief, is requesting that the manufacturing plant be not given permission to operate or be occupied until the fire suppression system is inspected and tested by an independent expert. Without proof of a functioning system and documentation of previous inspections/testing, the County needs to join the City in requesting the inspection and testing of said system and preventing occupation until the documentation is provided. In addition, the County should inspect the entire structure for structural, electrical, mechanical, and plumbing code compliance.

MISSION STATEMENT

The Mission of the City of Cheboygan is to promote economic opportunity and enhance quality of life through innovative commitment of human and natural resources with continued planning, financial allocation, and implementation of goals by responsive staff, and elected and appointed officials.

The City of Cheboygan is an Equal Opportunity Provider and Employer.



403 N Huron St
PO Box 39
Cheboygan, MI 49721
231-627-9931
www.cheboygan.org

The City and County need to jointly request similar actions of other state and federal agencies such as the EPA, EGLE, DNR, OSHA, as well as utility providers such as DTE and Consumers Energy. Both the City and County should send individual letters to these entities to show solidarity on these issues and concerns.

The City is fully aware of the potential consequences of these actions, but we owe this type of response to our community and the entire State of Michigan. Last week, we narrowly avoided a disaster that could have devastated our community and had long term economic and environmental consequences that could have haunted this community for decades. We need to take the necessary precautions to avoid a repeat of what happened at the warehouse in the plant across the street.

If you have any questions, please contact Daniel Sabolsky, City Manager of Cheboygan at (231) 627-9931.

Sincerely,

A handwritten signature in black ink, appearing to read "Brett Mallory".

Brett Mallory
Mayor

A handwritten signature in black ink, appearing to read "Daniel Sabolsky".

Daniel Sabolsky
City Manager

MISSION STATEMENT

The Mission of the City of Cheboygan is to promote economic opportunity and enhance quality of life through innovative commitment of human and natural resources with continued planning, financial allocation, and implementation of goals by responsive staff, and elected and appointed officials.

The City of Cheboygan is an Equal Opportunity Provider and Employer.



WOLVERINE
FIRE PROTECTION CO.

8057 N Dort Hwy, Mt Morris, MI, 48458
PO Box 219, Mt. Morris, MI, 48458
Phone: 810.686.4630 • Fax: 810.686.0440
wfpc@wolverinefp.com
ALWAYS BE WORKSAFE

February 17, 2023

Mr. Thomas Homco
Great Lakes Tissue Company
437 S Main St
Cheboygan, MI 49721

RE: Fire Protection System, Inspection Results
Great Lakes Tissue Company
437 S Main Street
Cheboygan, MI 49721

During your February 10th inspection of the fire protection systems, WFPC observed that many of the systems had numerous deficiencies. The deficiencies observed included: systems out of service, inefficient water pressure, alarms not hooked up, flow switches not installed or wired, no tamper switches or locks on any valves, fire pumps not in service, jockey pump not on, no check valves on many of the risers, and several OS&Y valves leaking as well as pipe and sprinkler heads leaking.

It was also observed that head spacing on many of the systems throughout the office and plant were also not to code, sprinkler heads were too high above ceiling tile, sprinkler heads too far apart on branch lines, hangers missing on pipe, no signs indicating fire protection systems, drains or inspectors' test valve. It was further noted that there are no design calc placards on risers, no head boxes next to fire protection risers with spare heads and wrench, and all 82 fire extinguishers that were found onsite are outdated.

We have included a brief description of each system below for your reference:

System #1: 8" riser, gauge read 35PSI, Flow switch installed but not wired.

System #2: 6" riser, gauge read 0 PSI.

System #3: Cut off and demolished at base of riser.

System #4: Cut off and capped at the riser.

System #5: 8" riser, gauge read 70 PSI, system out of service shut off at PIV valve.

System #6: 8" riser, no gauges, no check valve, flow switch located on 2nd floor (installed too high above riser per code) all pendant heads are located above ceiling tile.

System #7: 8" riser, gauge reads 55 PSI but PIV valve is shut off, Flow switch installed but not wired.



WOLVERINE
FIRE PROTECTION CO.

8067 N Dort Hwy, Mt Morris, MI, 48458
PO Box 219, Mt. Morris, MI, 48458
Phone: 810.686.4630 • Fax: 810.686.0440
wfpco@wolverinefp.com
an AAYEDS Workplace

System #8: 6" riser, gauge reads 50 PSI but PIV valve is shut off.

System #9: Riser not accessible, located behind cabinets and built in wall with a sliding wall in front that, also blocked by numerous items on the floor.

System #10: 8" riser, gauge reads 35 PSI.

System #11: 6" Riser, PIV shut off, system out of service.

System #12: 6" riser, PIV shut off, system out of service.

System #13: 6" riser, PIV shut off, system out of service.

System #14: 6" riser, PIV shut off, system out of service.

System #15: 6" riser, PIV shut off, system out of service.

System #16: Does not exist.

System #17: Cut off and demolished at base of riser.

System #18: Cut off and demolished at base of riser.

System #19: Does not exist.

System #20: 8" riser, no gauges, no main drain.

Pump Room: Both fire pumps and jockey pump were shut off or out of order.

Please note, WFPC will not be held liable for any damages should a fire occur. Please feel free to contact our office if you have any questions, or if you should decide to correct any of the noted deficiencies.

Sincerely,

Wolverine Fire Protection Co.

Seth Haas
Project Manager