

Harbor Commission

Regular Meeting Agenda

Tuesday, April 21, 2015, 5:30 p.m.
Council Chambers, South Haven City Hall



City of South Haven

Please note that the meeting will be held in South Haven City Hall, Council Chambers.

1. Call to Order

Roll Call: Chairman Jeff Arnold, Vice-Chairman Mary Stephens, Cathy Pyle, Tim Reineck, Alan Silverman, Tim Stegeman, Greg Sullivan.

2. Approval of Agenda

3. Approval of Minutes: March 17, 2015 Regular Meeting

4. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

5. Marina Reports

6. Tour Boat

Member and Staff Comments

Adjourn

RESPECTFULLY SUBMITTED,
Paul VandenBosch
Secretary, Harbor Commission

SOUTH HAVEN CITY HALL IS BARRIER FREE AND THE CITY OF SOUTH HAVEN WILL PROVIDE THE NECESSARY REASONABLE AUXILIARY AIDS AND SERVICES FOR PERSONS WITH DISABILITIES, SUCH AS SIGNERS FOR THE HEARING IMPAIRED AND AUDIO TAPES OF PRINTED MATERIALS BEING CONSIDERED AT THE MEETING TO INDIVIDUALS WITH DISABILITIES AT THE MEETING UPON SEVEN (7) DAYS NOTICE TO THE SOUTH HAVEN CITY HALL.

Harbor Commission

Regular Meeting Minutes

Tuesday, March 17, 2015, 5:30 p.m.
Council Chambers, South Haven City Hall



City of South Haven

1. Call to Order by Arnold at 5:30 p.m.

Present: Reineck, Stephens, Sullivan, Arnold
Absent: Pyle, Stegeman, Silverman

2. Approval of Agenda

Motion by Stephens, second by Sullivan to approve the February 17, 2015 Regular Meeting Agenda.

All in favor. Motion carried.

3. Approval of Minutes: February 17, 2015 Regular Meeting

Motion by Reineck, second by Stephens to approve the February 17, 2015 regular meeting minutes as written.

All in favor. Motion carried.

4. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

There were none.

5. Marina Reports

VandenBosch reviewed the Marina Reports, noting year-to-date revenue, expenses and cash and investment balances.

6. Tour Boat

VandenBosch introduced the item by pointing out that he has put together a staff report and resolution and at the last minute had included a proposal by Abonmarche Engineering to design and bid improvements to make possible the dockage of vessels in the expansion area indicated. VandenBosch also noted that at this time, looking at the Abonmarche proposal, and at what we are proposing to do, VandenBosch requested the removal of the Abonmarche proposal. The reason is that city staff thinks the installation of electric pedestals

and installation of railings and gates can be done in-house if this is approved. Therefore, VandenBosch wanted to be up front regarding the resolution, that staff is not recommending the approval of the Abonmarche proposals in the resolution at this time.

VandenBosch gave an overview of the request before the Harbor Commission. "We have a tour boat that would like to rent space from the South Side Marina; the west end of the deck area, which is a public deck area." VandenBosch noted that staff is not asking in any way to take away the public access to this deck; that should continue, but the marina would like to use that area as a headwall/marina dockage and the city has a request to use the west forty (40) feet of that for a tour boat. That request is from Chad Bard of IT-IL-DO Charters, LLC, the same company that leases a slip from the city for charter fishing.

VandenBosch explained that whether this area is used as transient marina or used for the tour boat we have to apply to the Department of Environmental Quality (DEQ) for a permit to expand our marina; for the tour boat, we would have to also go to the Department of Natural Resources (DNR) for permission to allow a commercial use in an area of the marina that is designated for transient use. VandenBosch indicated that he does not foresee any problem with obtaining those permissions, but it is a step that has to be gone through.

To clarify his reasons for not recommending the Abonmarche proposal, VandenBosch pointed out to the Commissioners the handout prepared by the city's GIS Tech, showing the harbor, with the red lines indicating the harbor lines. VandenBosch indicated that this map is not a survey, but it does make it clear that the harbor lines run right up against the dock that is under discussion. What that means is that it is very possible that pilings will not be able to put in the water, which was part of the original proposal. "If you look at Abonmarche's proposal, they indicated \$4,500 to do the survey and identify the location of the harbor lines." VandenBosch noted. "That seems quite expensive when instead of that staff can just use the existing deck, installing electric pedestals and cutting gate openings in the railing that can be closed." VandenBosch pointed out that this would be a relatively simple process and not something that we would not need to get Abonmarche involved with.

VandenBosch suggested that as the Commission looks through the packet we do have a proposal from IT-IL-DO Charters; we have been following our city's commercial use policy which was looked at by Harbor Commission and approved by City Council. The description of the boat is 40' by 14'; a United States Naval Launch boat, pictures are included in the packet, as well as a license agreement on page twenty-six (26) drawn up by the city attorney based on previous license agreements the city has and which Chad Bard has had a chance to review.

VandenBosch also indicated that he has included an application for a Department of Environmental Quality (DEQ) permit but would remove any reference to installation of spring pilings, based on his previous explanation, which reduces the request to use an existing deck area, installing electric pedestals and creating gated openings in the railings.

VandenBosch suggested that the Commission hear from Chad Bard regarding his proposal and pointing out that the resolution prepared for you could be used, recommending the striking of any reference to the proposal from Abonmarche. VandenBosch also clarified that while the resolution is for Harbor Commission, it is a recommendation to City Council; this is

a City Council decision. If recommended by the Commission, VandenBosch would just remove the Abonmarche proposal and send it City Council absent that reference.

In response to VandenBosch's request for questions, Stephens asked, "What would be the public benefit of allowing public dock space in a prime location in the city harbor?" While asking that Bard also address this question, VandenBosch did say that it would be a public attraction for visitors and residents, a way to get outdoors, to get out on the water even if one does not own a boat, indicating that those would be general benefits of having a tour boat operation.

Stephens asked the cost of the DEQ and Department of Natural Resources (DNR) permits, to which VandenBosch responded that the DEQ is five hundred dollars (\$500) and that he does not believe there is a cost associated with the DNR approval.

Reineck noted that the Commission has discussed having something like this within the past year; this proposal is on a smaller scale, a little more realistic. Following the same line of reasoning, Reineck also commented that scaling the project back so it is not so extensive to prepare for such a thing goes along with that same line of reasoning and that if this endeavor does not work, because the agreement is for just one year, the improvements to the head dock could be used for other purposes. Discussion ensued regarding supporting tourism by allowing a different venue than the sailboat to get people out on the water.

Sullivan questioned VandenBosch whether the jet ski rental license had been renewed to which VandenBosch responded that the jet ski rental was not there last year and did not come back for renewal.

Sullivan expressed his concerns with using such a great location for a commercial entity, noting that there could be times when the forty or so passengers would be in that location, perhaps competing with other boaters for that space; would like to keep that area as pristine as possible.

Chad Bard, IT-IL-DO Charters. Stated that this boat is going to do a lot for this town and provide another way besides the sailboat to get out on the water. Sullivan responded that he is in favor of the tour boat but his opposition is the location. Bard noted that the license agreement is written in favor of the city; Bard has agreed to move his boat if the city needs him to and the lease is a year-to-year lease so "if it doesn't work out the lease is only for a year."

Arnold reminded that the location at the South Marina deck has been noted as bad due to storm surges and questioned whether the plan is to keep the boat there full time. Bard responded, "Yes, the boat is built like a tank; has cleats on it; is all reinforced fiberglass;; fireproof; no wood in the boat; built to Navy specifications to be dropped off boats and right itself; it's very sturdy and strong. I'm going to have a rubber rail on it and we shouldn't have any problems with that."

Stephens questioned what Bard is planning to protect the docks from damage by the boat, to which Bard, explaining how the dock is constructed, stated he did not see that there would be any problem of that nature. Stephens noted that surges when the wind is from the west or northwest are significant and her experience with having the Friends Good Will docked there

in the past is that there could be damage to the dock. Bard responded that if that appeared to be a problem, which he does not think it will, he could always move the boat to an alternate location. In response to Stephen's questions of whether he has an alternate location, Bard said while he does not have a specific site in mind, he is sure he could find an alternate location.

Stephens brought up several more questions regarding congestion during festivals and other events; whether granting this request would result in the public perception of favoritism, whether there were other accessible sites and having a boat docked in the Federal channel. Bard responded that others have the same opportunity to make a similar request; that anyone could but he is the one who is going through the steps to do this and the city will benefit from the amount of money it will cost Bard to dock his boat there; that he believes it's going to be good for the tourists, for the townspeople, thinks it's a win-win. Stephens stated the location is her main concern.

Arnold noted that there does not seem to be any favoritism involved, that he likes the idea and sees it as similar to the previous request by the jet ski business. Arnold also noted that if the Commission chooses not to recommend Bard's proposal, the marina manager could rent space out for pleasure boats that come in. Arnold's question, to VandenBosch, was whether there is concern of slipping something over the harbor lines, such as the discussion we had when Joe Wiltgen came forward with his proposal for Admiral Jack's. VandenBosch stated that he would not recommend building anything into the harbor beyond the harbor lines, noting that staff had discussed adding a piling, and stated that the city enforces other developers to stay on their side of the harbor lines so cannot expect any different treatment. VandenBosch explained, in response to Arnold's question about City Council's approval of engineering last evening that the approval was for preliminary engineering to determine whether it is possible to extend the dock toward Lake Michigan, not closer to the harbor lines, with appropriate measure for surge protection and wave attenuation. After a question from Arnold, regarding potential changes in that area violating an agreement with Bard, VandenBosch noted that any such changes are probably years down the road.

Sullivan questioned whether the boat will be over the harbor line to which VandenBosch responded that the boat will be, but it is acceptable for boats to be beyond the harbor line. Sullivan then asked whether the Federal harbor lines are the same as the city harbor lines. VandenBosch noted that the Federal Harbor lines in South Haven are defined as the line to which the Army Corps used to dredge, and it is acceptable for boats to be docked there. Discussion ensued regarding the legality of boats being docked within that area and whether that is a Coast Guard issue, with Stephens saying she will check into it and requesting that VandenBosch do so also.

Sullivan asked for details about the type of boat and refueling, which Bard described as a single engine diesel which he would refuel at All Seasons Marine or the Yacht Club.

Gary Horton, President, Michigan Maritime Museum. Elaborated on the museum as a non-profit, serving the public, with several boats that go upriver or out on the lake, each having a historical background, and noted the short season in which to support keeping a museum going. Noted that it is seldom that the boats are loaded to capacity.

Patti Montgomery-Reinert, Director, Michigan Maritime Museum. Expressed appreciation for Bard's goal of getting people out on the water, noting that is one of the museum's missions. Pointed out that Bard's pricing is less than the museum's pricing, which is very carefully set to cover maintenance and care for the tall ship and other vessels, to keep them safe and a quality exhibition to the public as well as being a boat ride. Montgomery-Reinert also pointed out the education piece of the museum's mission, noting that while their price is a little higher than Bard's proposes they are also able to get kids out on the water for a lower price due to their price structure. Montgomery-Reinert noted that the city was very good to us (the museum) last year when we faced water depth issues, and let us dock the Friends Good Will in that same spot Bard is proposing to use. Montgomery-Reinert stated, "That's a prime location and the museum could step forward and say we would like to dock there, too." Montgomery-Reinert also pointed out that with the passengers with tickets on their vessels, they incur issues with restrooms and parking, and if Bard has forty-nine (49) passengers going out five (5) times a day, that's around two hundred fifty (250) people; there are going to be issues with restrooms and parking, something that she has not heard mentioned. Montgomery-Reinert reiterated her support for getting people in boats out on the water, but also listed concerns with having places for tall ships and other boats to dock, even though that has not been possible due to low water levels in the recent past. Finally, Montgomery-Reinert promoted the museum's excitement in bringing a historic Cost Guard boat to the harbor and asked the commissioners to consider some of these other things as they look forward to see if there is a way to help each other, for the museum to partner, because of the age and history of the boat Bard is proposing to bring into the harbor.

Bard quoted his charter buddy, noting "There's enough to go around for everybody," and stated, "When there's nobody in town, nobody's busy and when everybody is in town, everybody is busy." Stated that he understands the museum feeling threatened because of his business, but stated that he is not trying to take anything from anyone, or from Friends Good Will. Bard asked, "Am I going to refer people to Friends Good Will?" and stated, "Of course! I refer people to Friends Good Will daily on my charter boat when I'm fishing." Bard feels that he will just be contributing a way for more people to get out on the water; while understanding that the museum is feeling threatened that his business will take away from Friends Good Will. Bard also remarked that if he remembers correctly, the Friends Good Will was never parked where he is proposing to put his boat, that it was on the headwall that is already used, and as far as he can recall that nothing has ever been docked there."

Stephens asked if there is an electric post where Bard is proposing to be, and after learning that there is not, commented that she believes Bard is correct.

Sullivan asked if Bard has planned a route where he will be taking the boat to which Bard responded that he has talked to some of the realtors about taking groups out to view houses from the lake. In response to another question from Sullivan, Bard said he could take the boat up the river if the lake was too rough, but noted that his thought is more to go by the lots and million dollar houses that are listed for sale to allow people to see them from a different perspective and to take people by the clay formations out there near 107th. Bard responded to another question from Sullivan explaining that he will be doing coastal tours, within about two (2) miles out and no more than twenty (20) miles from a safe harbor.

Bard also noted that he gets calls all through the season, but particularly during festivals, with people wanting to just go out on a cruise because Friends Good Will is booked up.

Stephens asked where two-hundred fifty (250) people are going to park, noting Bard's letter to the city manager suggests he will be having forty-nine (49) people five (5) times a day. Bard said his customers will probably be mostly walk-ups, the people are already there, his business will be the foot traffic people. Stephens then referred the question to VandenBosch, regarding restroom use and city requirements. VandenBosch stated there are two restrooms there; festivals are required to provide one restroom per five hundred attendees, that's heavy use. VandenBosch stated he doesn't really know the answer whether that it going to be enough. Bard said he does not think Stephens is looking at the situation from the same eyes as he is and pointed out that when there are already thousands of people during Harborfest, they have already parked, and as far as restrooms, he will be helping the situation, because some of those people can use the restroom on his boat, instead of using the city restrooms. Bard also is planning to work with some of the schools to take classrooms out at a group rate. Discussion ensued again regarding whether or not Bard is going to be taking business from the museum or just taking the overflow. Bard reiterated that most of the year there are not enough people in town, but during those two or three months, there are not enough boats to take everyone that wants to go.

Motion by Reineck to accept the proposal as presented.

Motion failed due to lack of a second.

VandenBosch reminded that if a motion is made, it should be in the form of a recommendation to City Council and clarified that this will go to City Council, which is part of the commercial use policy that the city has, City Council will receive the minutes and see the discussion and the motion and your motion will be very important to them.

Arnold attested that City Council does listen to the advice of the boards and commissions.

After a pause, Arnold moved to Item 7. Grant Applications. VandenBosch clarified that without a motion there is no recommendation to City Council.

Sullivan asked if there could be continued discussion and VandenBosch said that is up to the commission. Arnold stated that discussion could continue.

Sullivan is not in favor of recommending to City Council at this time, thinking that while Bard would like to get this rolling, since spring is coming, but it might take another month for the commission to think this through.

Arnold said his thought was that would give Bard time to address the concerns heard tonight and also give the museum time to think it through, and after further discussion it could be put to a vote. Arnold asked if it is correct that even without a motion, this proposal will move to the next step anyway.

Sullivan asked about a motion to recommend not using that location for a commercial purpose, and then stated that he would make a motion.

Motion by Sullivan to recommend to City Council that this location not be used for this particular charter boat operation. Second by Stephens.

Reineck asked if this motion overrides the previous motion, which Arnold explained was not seconded and therefore died. Sullivan noted that if his motion doesn't pass he would be happy with bringing this back and discussing it next month, explaining that he supports the idea, just not the location and the commission is not here to support the monopoly of the museum. Sullivan remarked, "Competition? Compete! It's about commercial enterprise, free enterprise."

Reineck pointed out that it is not an unappealing vessel and it is not a permanent situation. Sullivan responded that he is not saying it is, but referenced setting precedent. Reineck noted these requests are considered on an individual basis. Sullivan stated that he just does not feel this location should have a commercial enterprise. Reineck noted that the jet ski operation was somewhat commercial. Stephens agreed it was; Sullivan stated he was opposed to the jet ski operation and Arnold corroborated that is correct and noted that the presence of Chad's charter fishing boat there is commercial. Arnold also noted that he believes it is one of the goals of the city to make the south side of the city more of a destination, referring to the proposed splash pads, to get families and kids in that area, down towards the beach, and a tour boat would kind of do that.

Reineck asked if the head docks are extended west, how that space will be used. Arnold stated that was the question we asked and it could be years away. Reineck commented that it is proposed to be a commercial deal, realistically, one could claim not, but realistically, that is what it will be for.

Stephens noted that we, at one time, talked about extending that dock west, to allow docking by cruise vessels on the lakes, so maybe we should revisit extending that dock west for commercial vessel use at some point, stating, "That would be an entirely different discussion." Reineck does not want to keep dodging the current situation, which Stephens agreed does not help our current situation but that we are seeing the need to look at alternate dock space for commercial use on the south side, including tour vessels and cruise vessels.

Bard pointed out that with the amount of money he would be charged to use this space as proposed, which would help the city and the discussion of extending the dock west for commercial use, he does not understand why we cannot get this approved right now. Bard also noted that he does not think it should be about aesthetics; it's a boat and it's a harbor, and it won't be an eyesore, it will be appealing the way we are setting it up. Bard expressed that he cannot understand why there are difficulties, although he does understand the Friends Good Will feeling threatened with competition. Bard asked whether the Friends Good Will docks on a city dock and how much they are paying. It was noted that it is a city dock and VandenBosch stated that the museum pays one dollar (\$1.00) per year. Bard noted he will be paying substantially more, \$7,900 per year. Stephens pointed out that the museum is non-profit and he is for-profit. Bard noted he does not understand all the ins and outs of their project.

Arnold called for a vote on the motion which VandenBosch read:

Recommend to City Council that this location not be used for the charter boat operation.

Ayes: Stephens, Sullivan

Nays: Reineck, Arnold

VandenBosch noted that there is no recommendation for City Council and stated that perhaps the discussion in the minutes may be helpful for City Council.

7. Grant Applications

VandenBosch explained that because the grants' due dates are coming up very quickly, and because of the council meeting on the third Monday and Harbor Commission meeting on the third Tuesday, VandenBosch had to send this to City Council before it came here. The deadline is before April 1 and VandenBosch apologized because this item should have come before the Harbor Commission first but "we have a large number of grant applications based on our Capital Improvement Plan that this board approved in September." VandenBosch noted that some changes did have to be made to fit the criteria and dollar amounts of the grants. VandenBosch reviewed the various grant applications:

Black River Park Driveway Improvements, \$86,000 matching grant from MDNR Waterways Boating Access Infrastructure Grant.

Black River Park Skid Pier, a 25% matching grant, \$12,500 from the Black River Park Fund and \$37,500 from MDNR Michigan Natural Resources Trust Fund. This provides two new skid piers.

Black River Park Restroom Renovation, another 25% matching grant, \$12,500 from the Black River Park Fund and \$37,500 from MDNR Recreation Passport grant, so the park will get \$50,000 worth of bathroom improvements, focusing on countertops, partitions between restroom stalls, some tile and some other work to spruce up the interior of the restrooms.

South Side Marina Building Renovation, we wanted to do about \$300,000 worth of interior renovations but this grant is limited so the need was a new roof since the present roof was from 1992 and there is some wood rot in the cupola area. This is a 50% match, so the city would pay \$62,000 and the grant would provide \$62,000.

South Side Marina Dock Extension Engineering, tying wave attenuation design with extension of the dock trying to create more transient head dock. VandenBosch noted that we do plan to use that area in a number of ways, including attracting a cruise ship and potential commercial uses. What this engineering is doing is finding out if it is possible in that area where we have a lot of storm surge. Also hoping to benefit the rest of the western harbor.

VandenBosch noted that those are five (5) grants that City Council approved last night.

VandenBosch informed that the city has also been awarded an accessible kayak launch including accessible sidewalk to the restroom. Waiting for review from state historic preservation officer, hoping it will be done by the end of the year.

VandenBosch updated the commission that the Downtown Development Authority (DDA) is looking at funding Black River Park parking lot improvements in the area of the gravel lot used for dredge spoils; the back area is still very soft and the engineer said nothing could be done there at this time, but the area near Dunkley Ave and bike trail is more stable and the

DDA would like to build a parking lot with forty-two (42) parking spaces, it's our master plan but it benefits the DDA on peak tourism days.

VandenBosch reminded that the deadline for the grant for the Black River Park fish cleaning station is in August so staff will be working on meeting that deadline. Staff is not one hundred percent (100%) sure that grant will be opened up in August but the application will be ready if it is opened.

8. Customer Satisfaction Survey

The Commission reviewed the Customer Satisfaction Surveys received at the February meeting.

John Marple, Marina Manager, provided details regarding complaints and comments on a variety of issues including pilings, dogs, social gatherings and staffing.

Member and Staff Comments

VandenBosch gave an update on the bridge, which is to be opened to boat traffic on April 15. There have been some delays due to weather and other issues; the bridge is supposed to be open to vehicle traffic on May 15, but VandenBosch believes efforts are being made to get it opened as soon as possible.

VandenBosch has been attending the Two Rivers Coalition; has learned there are some groups doing some very good work trying to prevent erosion and sedimentation. They are working with farmers; the farmers are voluntarily cooperating with the coalition, planting shoreline vegetation, planting cover crops, doing no till farming. VandenBosch will continue to attend the Coalition meetings, which we are now members of, and focus on fish habitat and sedimentation and erosion. The same things benefit both.

VandenBosch informed that the docks were put in today and the gate will be operational April 1.

Sullivan asked for an update on the David Nixon DEQ permit; discussion.

Adjourn

Motion by Stephens, second by Sullivan to adjourn.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

Marina Fund Revenue

Marina Fund Revenue
As of March 31, 2015

Fiscal Year Ending in	Revenue		Operational		Net
	Seasonal	Transient	Total	Expense	Revenue
2002	234,236	161,984	396,220	369,081	27,139
2003	259,840	166,084	425,924	403,463	22,461
2004	280,151	167,907	448,058	429,353	18,705
2005	282,245	170,944	453,189	479,287	-26,098
2006	300,819	173,817	474,636	517,881	-43,245
2007	343,171	170,869	514,040	471,088	42,952
2008	368,408	168,362	536,770	493,906	42,864
2009	377,955	166,674	544,629	492,039	52,590
2010	350,635	161,584	512,219	485,399	26,820
2011	314,270	140,546	454,816	521,900	-67,084
2012	330,660	151,046	481,706	427,390	54,316
2013	377,199	89,267	466,466	599,418	-132,952
2014	402,337	154,894	557,231	535,339	21,892
2015	420,898	112,705	533,603	291,138	242,465

NOTES ON OPERATIONAL EXPENSES:

Operational Expense does not include depreciation of approximately \$133,000 per year. Operational Expenses do not include large construction expenses. Operational Expenses do not include the annual transfer to the River Maintenance Fund of approximately \$21,080 annually.

Operating Expense excludes reimbursable dredging costs

	Seasonal Marina Revenue												Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2007	58,007	147,702	34,975	42,960	23,115	-3,846	6,199	1,554	703	1,100	22,348	19,285	354,102
2008	60,795	185,520	32,325	36,210	19,130	16,761	820	50	0	6,550	26,799	900	385,860
2009	44,784	185,069	32,390	25,955	31,150	23,488	843	50	850	900	27,990	1,000	374,469
2010	13,035	218,460	41,530	20,235	5,050	20,692	0	434	350	200	29,812	1,000	350,798
2011	43,222	157,210	38,473	31,230	12,498	-158	800	1,950	400	1,100	17,625	8,865	313,215
2012	31,810	178,650	44,840	14,750	31,795	-1,925	0	200	1,050	3,940	11,420	850	317,380
2013	29,476	169,790	80,125	37,555	28,362	14,431	0	0	750	7,735	7,300	7,545	383,069
2014	328,765	5,389	22,415	950	13,080	8,408	3,918	4,814	12,360	10,495	5,300	6,481	422,375
2015	359,425	1,345	16,760										377,530

	Transient Marina Revenue												Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2007	0	0	0	8,528	11,494	39,340	56,647	48,986	10,983	1,553	-41	0	177,490
2008	0	0	0	11,657	8,957	29,620	53,315	53,501	11,385	630	0	0	169,065
2009	0	0	0	11,972	10,994	24,877	55,645	39,835	22,176	1,301	0	0	166,800
2010	0	0	0	8,445	9,029	25,154	52,730	40,107	8,654	1,299	0	0	145,418
2011	0	0	0	373	16,162	21,221	47,565	41,459	12,635	515	0	0	139,930
2012	0	0	0	4,684	12,448	31,740	40,344	21,935	4,392	0	-267	0	115,276
2013	0	706	3,502	2,466	3,689	12,501	33,066	40,527	17,724	843	359	542	115,924
2014	2,236	4,453	5,894	6,520	10,785	31,946	42,313	40,590	9,691	816	0	1,780	157,023
2015	2,829	7115	7,571										17,515

Black River Park Revenues

Black River Park Revenue
As of March 31, 2015

Fiscal Year Ending	Boat Launch & Parking fees	Seasonal Launch Permit	Seasonal Dock	Transient Dock	Revenue Total	Operational Expense	Net Revenue
2007	84,563	9,480	42,544	10,471	147,058	90,412	56,646
2008	96,484	11,143	37,896	10,053	155,576	97,145	58,431
2009	93,239	9,240	37,261	11,922	151,662	99,992	51,670
2010	84,432	9,249	38,478	10,183	142,342	90,883	51,459
2011	66,393	8,658	42,038	3,859	120,948	113,430	7,518
2012	73,619	10,711	55,134	10,097	149,561	129,949	19,613
2013	71,440	9,150	47,844	10,980	139,414	102,155	37,259
2014	85,510	12,987	47,487	10,550	156,534	143,867	12,667
2015	30,828	1,775	85,510	6,598	124,711	64,679	60,033

Note: Operational Expense does not include depreciation of approximately \$50,000 per year.
Operational Expenses do not include large construction expenses or Transfer to River Maintenance Fund of approximately \$5,800 annually

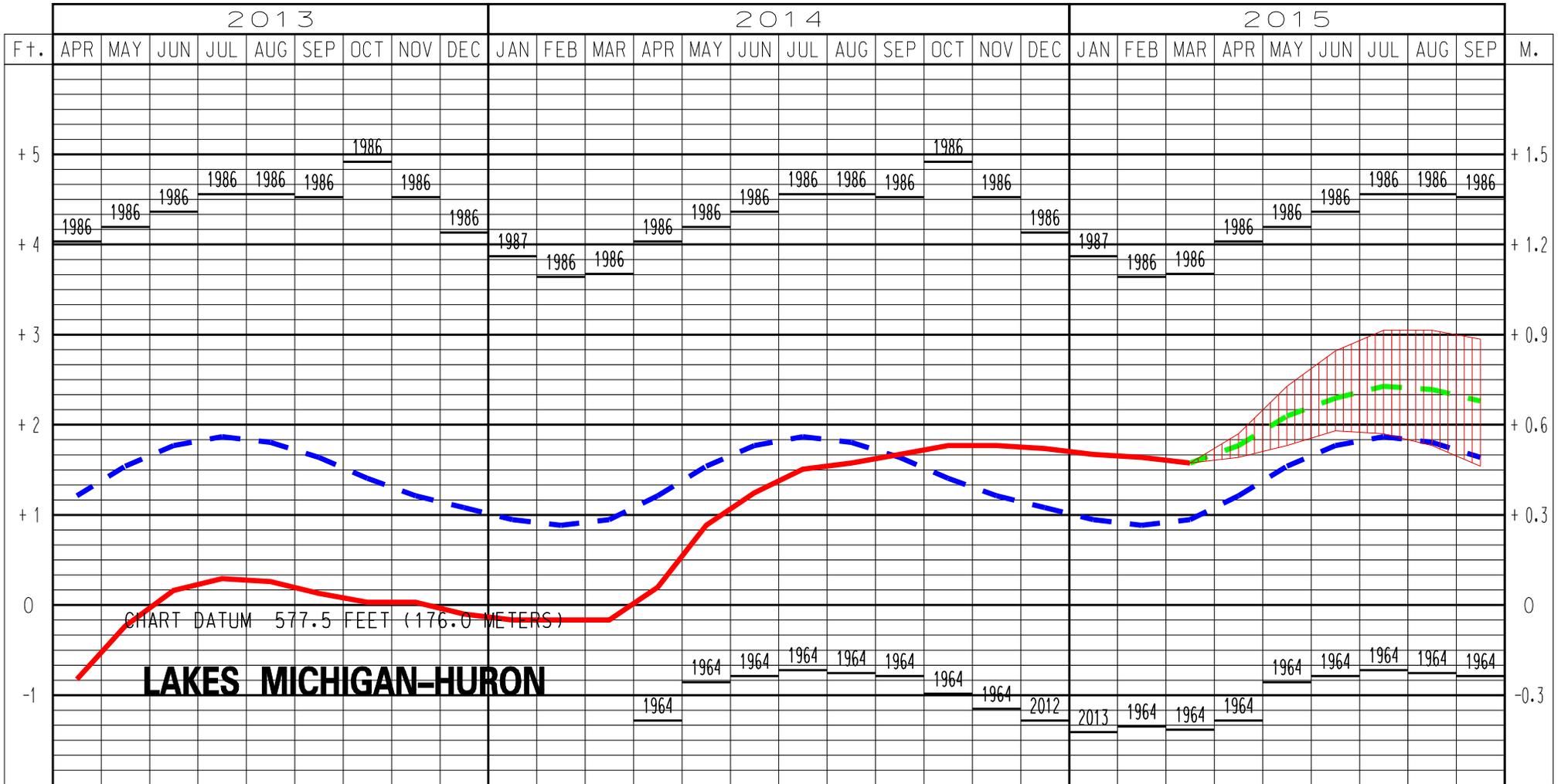
Boat Launching & Parking Fees Revenue													Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2007	0	0	0	1,289	4,160	7,725	13,459	7,941	5,917	1,808	0	0	42,299
2008	0	0	0	831	2,768	5,172	11,030	10,046	4,709	2,170	0	0	36,726
2009	0	0	0	370	3,378	5,558	10,738	7,704	8,311	812	0	0	36,871
2010	0	0	0	527	6,102	4,284	13,972	11,844	2,799	2,186	0	0	41,714
2011	0	0	0	126	4,301	6,870	19,145	10,345	7,373	1,221	0	0	49,381
2012	0	0	0	0	7,000	10,050	19,667	9,346	4,702	2,376	1,031	112	54,285
2013	56	0	91	637	3,671	6,154	14,069	12,964	4,874	3,081	14	0	45,611
2014	0	0	0	866	5,519	6,100	11,176	13,249	5,160	1,243	0	0	43,313
2015	0	0	0										0

Launching - Seasonal Permit Revenue													Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2007	0	0	0	2,261	4,157	2,749	1,453	0	0	0	0	0	10,620
2008	0	0	0	1,885	3,743	2,972	1,620	0	0	0	0	0	10,220
2009	0	0	0	2,770	4,924	2,608	640	0	0	0	0	0	10,942
2010	0	0	0	1,370	7,158	1,015	1,546	0	75	0	0	150	11,314
2011	0	0	0	610	75	1,403	1,222	0	0	75	0	0	3,385
2012	0	0	0	600	6,620	1,580	1,200	0	0	-270	0	0	9,730
2013	0	100	400	2,400	3,900	3,250	1,050	200	50	0	0	100	11,450
2014	100	75	175	1,875	4,500	2,425	1,275	250	0	0	0	100	10,775
2015	0	75	75										150

Seasonal Dock Revenue													Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2007	9,140	27,530	6,155	11,695	12,270	5,762	0	0	250	400	5,200	4,787	83,189
2008	7,940	45,315	9,400	11,905	12,675	-1,388	0	0	200	2,000	5,009	1,655	94,711
2009	6,865	41,215	7,085	9,125	4,990	15,095	0	0	0	0	5,000	0	89,375
2010	3,740	30,265	19,680	11,325	15,585	-1,163	1,650	0	0	0	4,650	2,369	88,101
2011	6,550	22,995	3,740	7,215	8,505	8,720	727	3,707	0	1,680	2,175	4,670	70,684
2012	3,995	20,485	9,585	6,440	18,500	1,655	3,745	0	0	600	2,000	200	67,205
2013	3,070	24,760	11,180	6,850	17,300	1,735	55	985	0	800	4,700	2,650	74,085
2014	49,950	-430	-1,870	8,490	11,425	8,755	1,870	0	200	4,660	4,500	2,670	90,220
2015	66,305	9,105	-3,800										71,610

Transient Dock Revenue													Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2007	0	0	0	169	1,303	1,986	3,988	2,672	984	0	0	0	11,102
2008	0	0	0	329	1,562	1,609	2,571	2,904	1,204	303	0	0	10,481
2009	0	0	0	0	483	1,776	2,444	3,796	1,332	0	0	0	9,831
2010	0	0	0	0	748	930	2,657	2,479	746	0	0	0	7,560
2011	0	0	0	0	818	1,958	4,492	2,190	1,181	23	0	0	10,662
2012	0	0	0	0	604	2,221	3,567	2,325	1,125	98	0	0	9,939
2013	0	0	0	0	163	1,873	3,815	4,435	808	74	0	0	11,168
2014	0	0	0	0	911	2,944	2,412	3,592	194	0	400	0	10,453
2015	0	0	0										0

LAKES MICHIGAN-HURON WATER LEVELS - APRIL 2015



LEGEND LAKE LEVELS

RECORDED

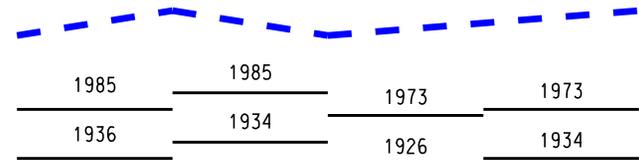
PROJECTED



AVERAGE **

MAXIMUM **

MINIMUM **



** Average, Maximum and Minimum for period 1918-2014

April 10, 2015

TO: Harbor Commission

FR: Paul VandenBosch

RE: Tour Boat Discussion Items

At its April 6 meeting, City Council returned the Tour Boat question to Harbor Commission for additional review and recommendation.

I would ask that the following items be brought up in discussion on the tour boat operation:

Restrooms - will the two public restrooms be adequate to deal with a boatload of passengers returning from the tour?

Restrooms - discuss whether the use of transient boater restrooms by tour boat passengers would be appropriate. Staff recommendation is to include a provision in the agreement not to allow tour boat passengers to use the transient boater restrooms, or to enter the gated marina area.

Boarding Ramp - Who should pay the cost of the boarding ramp? If it is the tour boat operator, then he should have the right to remove the gate at the end of the license agreement. There should be a safety inspection with approval by the City prior to use of the boarding ramp.

Handrail Removal and Gate Installation - Who should pay the cost of the handrail removal and gate installation? Note that handrail removal and gate installation will benefit the marina and expand its ability to generate revenue.

Electric and Water Pedestal - Who should pay for the cost of electric and water pedestal? Note that installation of this pedestal will make the deck area usable for future transient boaters, if the tour boat stops operating.

Signage: As permitted by zoning?

Seating - will seating be required on the deck for passengers who are waiting to board the boat?

Expansion of Marina - Staff requests that Harbor Commission recommend in favor of marina expansion as part of the proposal.

April 15, 2015

TO: Harbor Commission

FR: Paul VandenBosch

RE: South Side Marina Expansion and Tour Boat Operation

Parking Requirement:

The tour boat is defined as a water based business by the zoning ordinance, and no additional parking is required.

Expansion of the South Side Marina will require a zoning review and the creation of three parking spaces. The requirement is for one and one half spaces per dock. The deck length is 80 feet. A typical slip length is 40 feet, so two additional boat docks for marina use will require three spaces.

We can add the tour boat as a use on the deck without creating any parking, but in order to use the deck for marina slip rental, we will need to create parking.

Restrooms:

The boat is a 48 passenger boat. There is one restroom on the boat. There are two public restrooms located on the west wall of the South Side Marina building.

For comparison, the plumbing code requires one restroom per 75 persons occupancy for a business such as a restaurant. This does not apply to a tour boat, which falls under US Coast Guard regulations.

Boarding Ramp and Railing Modification:

Staff recommendation is to require the tour boat operator to select, install and pay for the boarding ramp and railing modifications.

The ramp and modifications should be inspected by City staff prior to use of the equipment.

Signage:

Signage is regulated by the South Haven Zoning Ordinance. Signage is permitted on the boat, 2 square feet of signage per linear foot of boat.

A sandwich board sign may be permitted by City Council. If a sandwich board sign is desired, it should be added to the license agreement.

Recommendation:

Withdraw the request to expand the marina and consider the tour boat request.

- g. Accessory and Incidental Uses
One (1) space per employee using or located in an accessory building or other incidental area shall be provided for all accessory or incidental uses in addition to parking required for all principal uses on a property.
- h. **Riverfront Parking**
 - 1) No parking area shall be required to be provided on-site for a water based business downstream of the Dyckman Avenue Bridge over the Black River.
 - 2) Upstream of the Dyckman Avenue Bridge, including waterfront property around the Celery Pond, no ship, boat, barge or vessel shall load or unload passengers at a marine terminal unless there shall be at least one (1) parking space for each three (3) seats, and one (1) parking space for each employee.
 - 3) Parking for other non-water based businesses on the Riverfront shall conform to the standards for that use as specified in this Article or elsewhere in this Ordinance.

Section 1801. OFF-STREET PARKING SPACE LAYOUT, STANDARDS, CONSTRUCTION AND MAINTENANCE

Whenever the off-street parking requirements in Section 1800 above require the building of an off-street parking facility, such off-street parking lots shall be laid out, constructed and maintained in accordance with the following standards and regulations:

- 1. No parking lot shall be constructed unless and until a permit therefore is issued by the Zoning Administrator. Applications for a permit shall be submitted to the Zoning Administrator on a form provided for that purpose and shall be accompanied with two (2) sets of site plans for the development and construction of the parking lot showing that the provisions of this section will be fully complied with.
- 2. Plans for the layout of off-street parking facilities shall be in accord with the following minimum requirements (see Figure 18-1):

Parking (degrees)	Aisle Width	Parking Space Width	Parking Space Length	Total Width of One Tier of Spaces Plus Aisle Width	Total Width of Two Tiers of Spaces Plus Aisle Width
0 parallel	12'	8'	23'	20'	28'
30 to 45	12'	8'-6"	20'	32'	52'
46 to 59	15'	8'-6"	20'	35'	58'
60' to 74'	16'	8' 6"	20'	36'	60'
75 to 90	24'	9'	20'	44'	64'
Boat Launching Areas:					
30 to 53	20'	10'	45'	60'	100'
54 to 74	25'	10'	45'	70'	115'
75 to 90	45'	10'	45'	90'	135'

- 3. All spaces shall be provided adequate access by means of maneuvering lanes (listed as Aisle Width on Figure 18-1). Backing directly onto a street shall be prohibited.

Swimming Pool: Means any structure or container located either above or below grade designed to hold water to a depth of greater than twenty-four (24) inches, intended for swimming or bathing.

Temporary Dwelling Unit: A dwelling unit occupied continuously for less than six (6) months of the year, or a dwelling unit occupied intermittently for less than fifteen (15) days of each month. A dwelling unit which is occupied more than one hundred-eighty (180) days per year is not a temporary dwelling unit. A dwelling unit used to gain residency, as a mailing address, or for a homestead tax exemption is not a temporary dwelling unit.

Temporary Use or Building: A use, building or structure permitted by procedures established in this Ordinance, to exist during a specified period of time.

Traffic Impact Study: This and various terms related to this one are defined in Section 1737.2 including the following: development, average day, gap (critical gap), level of service, peak hour, study area, traffic impact study, trip (i.e. directional trip).

Travel Trailer: A recreational unit designed to be used for temporary residence purposes.

Underground Storage Tank: A tank or combination of tanks, including underground pipes connected to the tank or tanks, which is, was, or may have been used to contain hazardous substances, and the volume of which, including the volume of the underground pipes connected to the tank or tanks, is ten percent (10%) or more beneath the surface of the ground.

Use: The principal purpose for which land or a building is arranged, designed, or intended, or for which land or a building is or may be occupied.

Variance: A modification of the literal provisions of the Zoning Ordinance, granted by the Zoning Board of Appeals, when standards established in Article XXII of this Ordinance have been met. These standards seek to ensure that no variance is granted unless: (a) strict enforcement of the Zoning Ordinance would cause practical difficulty or unnecessary hardship, (b) would not be contrary to the public interest, (c) there are circumstances unique to the individual property on which the variance is granted, and (d) the variance request is not due to actions of the applicant.

Vicious Animal: Any animal that attacks, bites, or injures human beings or domesticated animals without adequate provocation, or which because of temperament, conditioning, or training, has a known propensity to attack, bite, or injure human beings or domesticated animals. (See Section 1739.)

Wall, Obscuring: A structure of definite height and location to serve as an obscuring screen in carrying out the requirements of this Ordinance.

Water Based Business: Any business in which the proprietor, employee(s) or customer(s) physically board a ship, boat, barge or vessel at a marine terminal, including, but not limited to dinner boats, charter boats, passenger service, boat tours, watercraft rentals, and commercial fisheries.

Wild Animal: Any living member of the animal kingdom, including those born or raised in captivity, except the following: human beings, domestic dogs (excluding hybrids with wolves, coyotes, or jackals), domestic cats (excluding hybrids with ocelots or margays), rodents, any hybrid animal that is part wild, and captive-bred species of common cage birds. (See Section 1739.)

Major Thoroughfare: A public street, the principal use or function of which is to provide an arterial route for through traffic, with its secondary function the provision of access to abutting property. A street with a nonresidential character.

Marina: A boat basin with facilities for berthing and securing all types of recreational craft, providing adequate supplies, provisions and service and fueling facilities, and repair and storage of boats.

Marine Terminal: A dock, pier, landing, structure or property which provides access from land to a water based business.

Master Deed: The document recorded as part of a condominium subdivision to which are attached as exhibits and incorporated by reference the approved bylaws for the condominium subdivision and the condominium subdivision plan.

Mezzanine: An intermediate floor in any story occupying not to exceed one-third (1/3) of the floor area of such story.

Minor Thoroughfare: A public street identified as a secondary street or road on Figure 2-8.

Mobile Home: A structure, transportable in one or more sections, which is built on a chassis and designed to be used as a dwelling with or without permanent foundation, when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained in the structure. The term mobile home shall not include pick-up campers, travel trailers, motor homes, modular homes, recreational vehicles, recreational unit, converted buses, tent trailers, or other transportable structures designed for temporary use.

Mobile Home Park: A parcel or tract of land under the control of a person upon which 3 or more mobile homes are located on a continual, nonrecreational basis and which is offered to the public for that purpose regardless of whether a charge is made therefor, together with any building, structure, enclosure, street, equipment, or facility used or intended for use incident to the occupancy of a mobile home.

Mobile Home Site: An area designated for the exclusive use of a single mobile home or recreational unit.

Modular (Pre-Manufactured) Housing Unit: A dwelling unit constructed solely within a factory, as a single unit, or in various sized modules or components, which are then transported by truck or other means to a site where they are assembled on a permanent foundation to form a single-family dwelling unit, and meeting all codes and regulations applicable to conventional single-family home construction.

Motel: A building or group of buildings, whether detached or in connecting units, used as individual sleeping or dwelling units designed primarily for transient automobile travelers and providing for accessory off-street parking facilities. The term motel shall include buildings designated as auto courts, tourist courts, motor courts, motor hotel, and similar appellations which are designed as integrated units of individual rooms under common ownership. A motel shall not be considered or construed to be a multiple family dwelling.

Motor Home: A self-propelled, licensed vehicle prefabricated on its own chassis, intended for recreational activities and temporary occupancy.

Moveable Structure, Easily: An accessory structure which is smaller than two hundred twenty-five (225) square feet; is not built on a slab; does not have a permanent foundation; and is easily removable.



Agenda Item 7

Tour Boat License Agreement Consideration

Background Information:

The City Council will be asked to consider a proposal from IT-IL-DO Charters, LLC, for the placement of a tour boat at the city's South Side Municipal Marina. The proposal is to operate a 49 passenger boat as part of a scenic tour on Lake Michigan.

In the past, the dock area being proposed for the tour boat has not been used. If approved, the dock area will require modification to allow for a boarding ramp, and an electric pedestal will need to be installed. The commercial dockage rate is two times the recreational dockage rate. The total revenue for the commercial dockage, if approved, will be \$7,900 for the season. The city's staff has followed the adopted Commercial Use Policy, when preparing this item for the City Council's consideration.

In addition, staff is requesting to extend the South Side Marina transient dock to the area 80 feet to the west of the existing head dock. This area is currently used as a public deck between the South Side Marina and the Black River. It is open to the public. Staff is proposing to continue this deck use as an area open to the public. In order to use the deck for tour boat and transient rental, electric and water pedestals would be installed, and gates would be installed to allow for boarding areas for transient vessels. There may also be a need for additional cleats and fenders at the dock.

There are a number of approvals which would need to be done to accomplish the proposed tour boat and marina transient dockage extension, as listed below:

- Approve the expansion of the South Side Marina on to the existing deck to the west of the existing marina.
- Approve the license agreement with IT-IL-DO Charters LLC on behalf of the City of South Haven.
- Approve application to the DEQ for dock improvements to make it possible to moor the tour boat and other transient vessels in the expansion area.
- Approve a request to the DNR for a commercial use of a tour boat in the South Side Marina grant-in-aid facility.
- Approve the application for zoning and building permits required to complete the proposed work.

Staff has prepared a resolution combining all of the action items, for the City Council's consideration.

Please note that the commercial tour boat proposal has been reviewed by the city's Harbor Commission. However, no formal recommendation has been offered by the Harbor Commission. The Harbor Commissioners attempted to offer a formal recommendation, related to the proposal, which resulted in one split vote and one motion that did not receive support. The Harbor Commission met on March 17th for the board's regular meeting. Only four members attended the session. After a lengthy discussion, the board was unable to reach a consensus on whether this proposal should be recommended to the City Council. Two separate motions occurred, one motion in favor of the proposal and one motion recommending against the proposal, and neither was approved due to split votes. As a result, the City Council may wish to consider referring the commercial tour boat proposal back to the Harbor Commission, for additional consideration. One of the Harbor Commission members requested that the item be brought back to the board, for further discussion. Further, one of the Harbor Commission members has submitted correspondence to the City Council, which notes his absence from the March 17th meeting and his general support for the concept.

Staff recommendation:

The City Council may take a variety of actions related to the proposed commercial tour boat proposal. Two options to consider are listed below:

1. Should the City Council wish to approve the commercial tour boat proposal, as proposed, the Council should consider a motion to approve the resolution authorizing expansion of the South Side Marina and a License Agreement for a tour boat operation.
2. Should the City Council wish to receive additional review and guidance from the city's Harbor Commission, related to the proposed commercial tour boat proposal, the Council should consider a motion to refer the proposal back to the city's Harbor Commission for additional review and recommendation.

Support Material:

Commercial Tour Boat Proposal; South Side Marina
Resolution 2015-16, Commercial Tour Boat
Harbor Commission Meeting Minutes
Commercial Use Policy

To:

Brian Dissette

City Manager

City of South Haven

539 Phoenix Street

South Haven, MI 49090

IT-IL-DO Charters LLC a Partnership between brother's Captain Chad Bard and Captain Jim Bard are requesting approval to lease dockage for our newly acquired United States Coast Guard Inspected 49 Passenger Scenic Tour Boat at the South Side City Municipal Marina. We would like to dock the vessel at the furthest west location on the head wall (picture of location requesting attached). This location would allow for the highest visibility for walk on foot traffic. The operation of the location would only need a small portion (3 or 4 foot) of railing removed for loading/unloading of customers and supply's and an electric pedestal installed at the furthest Northwest corner.

Primary use will be Scenic and Sunset Cruises on Lake Michigan.

Will have a set routine schedule for departure times. Example; 1pm, 3pm, 5pm, 7pm, 8:15 to Sunset.

We would like Hours of Operation to be 9a.m. to 1hr after Sunset (latest sunset is 9:26) 10:30p.m. Estimated time back to dock and unloading of passengers after sunset will be approximately 30 minutes. With the proposed location I feel this operation will not interfere with Marina Patrons.

Duration of trips will approximately be 1 to 1.5 hours.

Price will be approximately \$20 for Scenic Cruises and \$30 for Sunset Cruise.

The Boat: 1988 Willard US Navy Utility Launch Boat. The Vessel is 40' long, 13'8" wide and weighs 33,000 pounds. The Vessel is designed to carry passengers and is VERY SEAWORTHY. It is mandatory that the Vessel be Inspected and Approved by the USCG to carry passengers for hire. This ensures safety of Vessel. It is a very rigorous inspection of the Vessels Structural and Mechanical condition. This vessel has a Certification Rating of 49 Passengers and can be operated with 1 Master Captain and 1 First Mate. Both my brother and I have a USCG Master 100 ton Captain's License to operate Vessel. The primary operator will be Captain Chad Bard. Picture of Vessel attached, it will have a custom top that will cover entirety like shown in pictures.

We will be using both All Seasons Marina and SHYC for Fuel and the pumping out of Blackwater.

This operation will be owned and insured thru the existing partnership but will be operating under a different name such as "South Haven Scenic and Sunset Tours", and it will have its own Website.

In conclusion, I feel that this boat in this location will allow easy access for more of South Haven's Tourist to enjoy Lake Michigan and what we can offer in our Resort Town. With the price and the capacity this will surely be a success in our Town!

Thank you for your consideration,
Captain Chad Bard BA 269-214-6934
Co-Owner: IT-IL-DO Charters LLC
46379 Leedy Point Road
Bloomingdale, MI 49026
Captain Jim Bard 269-214-6934
Co-owner: IT-IL-DO Charters LLC
10591 S 44th St.
Fulton, MI 49052



This is The Boat we are purchasing.
The custom Top is designed to be easily removed.
We are going to put a Top on like example # 1



Example II

Same Boat as we are purchasing Just set
up differently. This is what our Boat is going
to look like



Interior Design of Boat

Example of: Some Boat set up a little differently

Circle the Statue - Big Toot

Boat Rides Around Statue of Liberty

Home

Location

Schedule

The Boat

FAQs

Contact

The Boat

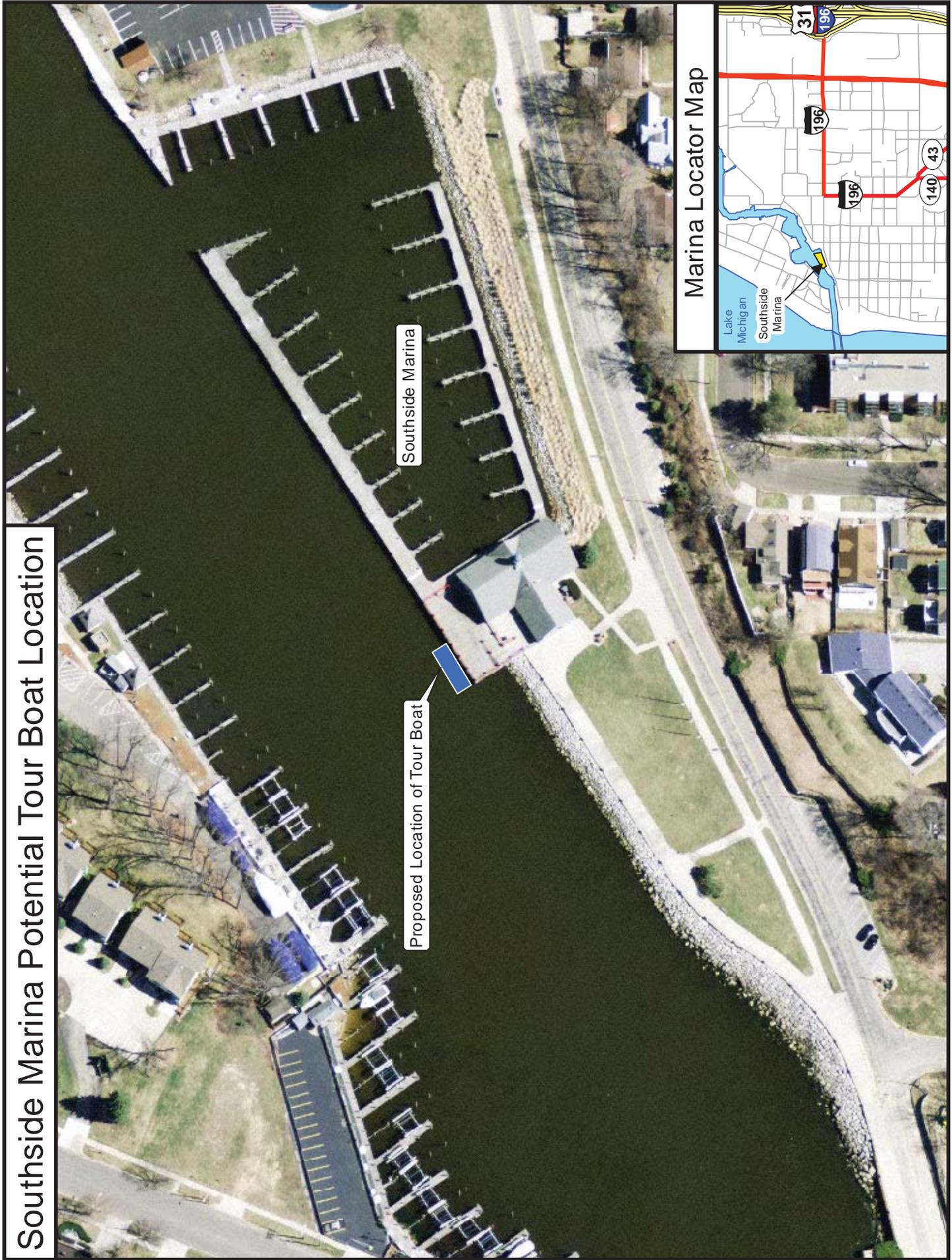


Big Toot is a former US Navy utility launch. She was built by Willard Marine and served on the

Big Toot was purchased by Project City Kids in __. PCK refurbished her and brought her up to yacht standards. Big Toot was also fitted with a front canvas dodger to provide protection from rain and spray as well as a bimini over the steering area. Big Toot provides an ideal combination of open air experience with protected areas.

Big Toot measures 40 feet overall and is powered by a 6-71 Detroit Diesel engine. She has a __ inch 3 bladed prop. *She is U.S. Coast Guard Certified for up to 49 passengers*

Southside Marina Potential Tour Boat Location



Southside Marina

Proposed Location of Tour Boat



Marina Locator Map

Southside Marina Potential Tour Boat Dock Location



Tour Boat

CITY OF SOUTH HAVEN
VAN BUREN AND ALLEGAN COUNTIES, MICHIGAN

RESOLUTION NO. 2015-16

A RESOLUTION APPROVING EXPANSION OF THE SOUTH SIDE MARINA AND A LICENSE AGREEMENT FOR A TOUR BOAT OPERATION

Minutes of a regular meeting of the City Council of the City of South Haven, Van Buren and Allegan Counties, Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan 49090 on April 6, 2015 at 7:00 p.m. local time.

PRESENT: _____

ABSENT: _____

The following preamble and resolution was offered by Member _____ and supported by Member _____.

WHEREAS, Chad Bard of IT-IL-DO Charters, LLC has requested to lease dockage at South Side Marina for operation of a tour boat under the procedure of the Commercial Use Policy; and,

WHEREAS, the request will require improvements to the deck area to make it usable for the tour boat operation; and,

WHEREAS, the South Haven Municipal Marina desires to add area to its transient marina by extending use of the existing head dock to the west; and,

WHEREAS, permits are required from the Department of Environmental Quality (DEQ) for expansion of the marina area, and permission is required from the Department of Natural Resources (DNR) for a commercial use of the grant-in-aid facility; and,

WHEREAS, permits are required to modify the dock for mooring of vessels.

NOW THEREFORE BE IT RESOLVED, that the City Council authorizes the following actions:

Approve the expansion of the South Side Marina on to the existing deck to the west of the existing marina as identified in Exhibit A.

Approve the license agreement with IT-IL-DO Charters LLC on behalf of the City of South Haven as identified in Exhibit B.

Approve application to the DEQ for dock improvements to make it possible to moor the tour boat and other transient vessels in the expansion area as identified in Exhibit C.

Approve a request to the DNR for a commercial use of a tour boat in the South Side Marina grant-in-aid facility as identified in Exhibits A, B and C.

Approve the application for zoning and building permits required to complete the proposed work.

BE IT FURTHER RESOLVED, that this resolution shall take effect upon passage by the South Haven Harbor Commission.

RECORD OF VOTE:

Yeas: _____

Nays: _____

RESOLUTION DECLARED ADOPTED.

Robert G Burr, Mayor

CERTIFICATION

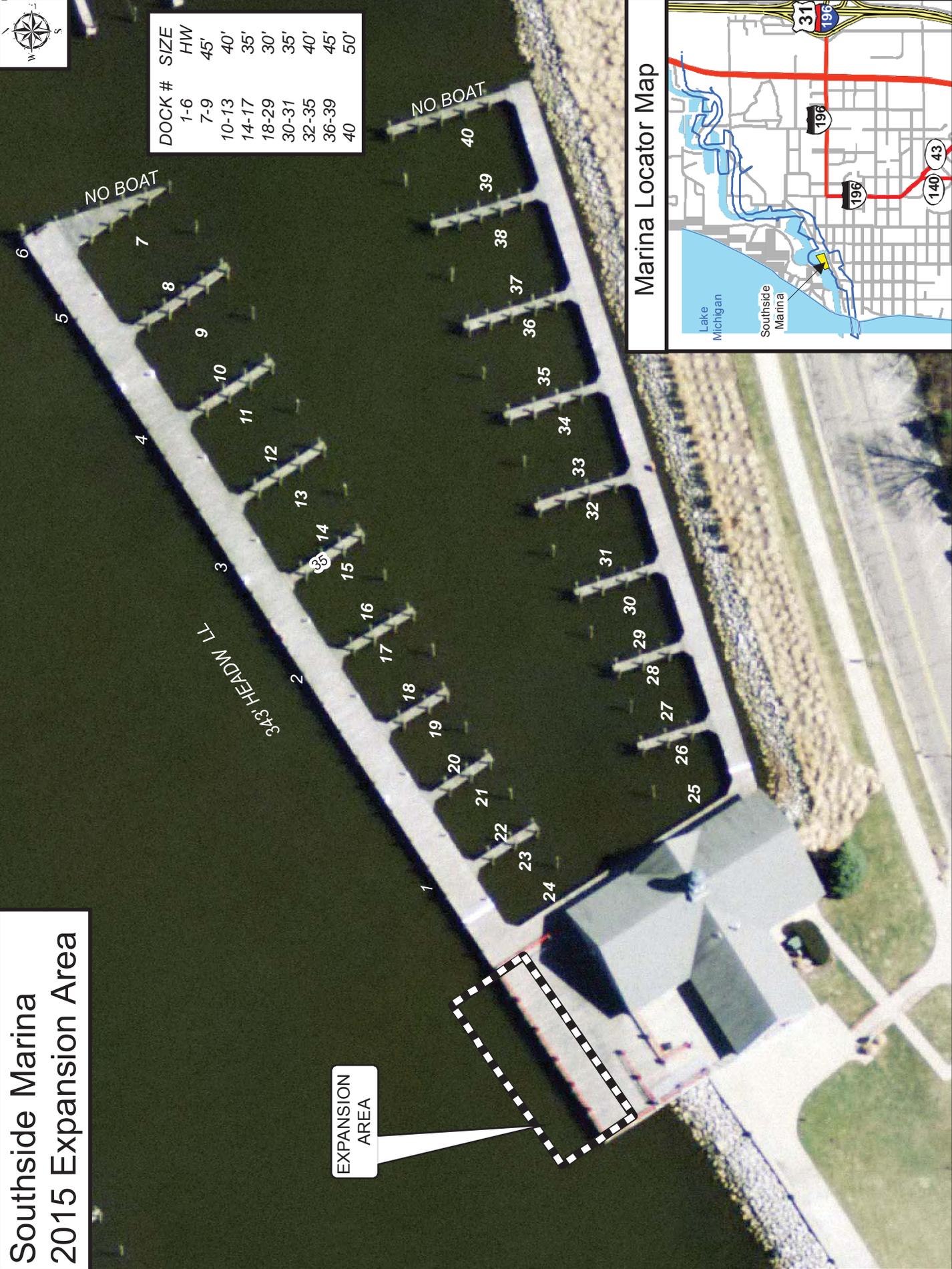
I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council at a meeting held on the 6th day of April 2015, at which meeting a quorum was present, and that this resolution was ordered to take immediate effect. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 167 of the Public Acts of Michigan 1976 (MCL 15.261 *et seq*).

Amanda Morgan, City Clerk

Southside Marina 2015 Expansion Area

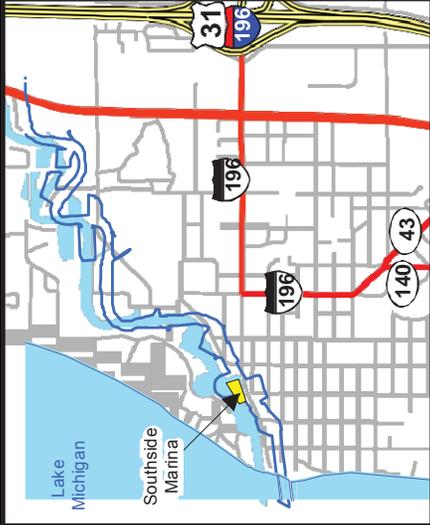


DOCK #	SIZE	HW
1-6	45'	40'
7-9	40'	35'
10-13	30'	35'
14-17	40'	45'
18-29	45'	50'
30-31	45'	50'
32-35	45'	50'
36-39	45'	50'
40	45'	50'



EXPANSION
AREA

Marina Locator Map



LICENSE AGREEMENT

This License Agreement is made as of _____, 2015, between the City of South Haven, a Michigan municipal corporation, the principal business address of which is 539 Phoenix Street, South Haven, MI 49090 (the “City”), and IT-IL-DO Charters, LLC, a Michigan Limited Liability Company, the principal business address of which is 46379 Leedy Point Road, Bloomingdale, MI 49026 (the “Licensee”).

RECITALS

- A. The City owns and operates the Southside Municipal Marina (the “Marina”) as is described and depicted on the attached **Exhibit A**.
- B. The Licensee wishes to provide a tour boat operation on Lake Michigan to be operated primarily from the Marina.
- C. The City wishes to accommodate the Licensee’s request in accordance with the terms and conditions of this Agreement.

TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the parties agree as follows:

1. License. The City grants the Licensee a non-exclusive license to use the west 40 feet of the South Side Marina deck area (the “Marina Slip”), as depicted on Exhibit B, to operate a commercial tour boat business, subject to the terms and conditions of this Agreement and for no other purpose or use.
2. Term.
 - a. Unless terminated earlier as provided in this Agreement, this Agreement shall commence on the date of this Agreement and shall remain in effect for a period of one year.
 - b. During each term of this Agreement, the Licensee shall be permitted to use the Marina Slip from 9:00 a.m. on April 15 until 10:30 p.m. on October 15 (the “Seasonal Use Period”). The Licensee shall remove its vessel from the Marina Slip immediately upon the end of the Seasonal Use Period on October 15.
 - c. This license is terminable at the will of the City Council. However, prior to terminating that license, the City shall first give the Licensee written notice that it is considering such action and the date and time of the City Council meeting at which such action will initially be considered so that the Licensee may address the City Council.
 - d. The license may be suspended immediately by the City, upon the City’s reasonable belief that the Licensee has breached the terms of this Agreement. The Licensee may appeal such suspension to the City Council in writing. Upon receipt of the written appeal, the City shall give the Licensee written notice of the date and time of the next City Council meeting at which such appeal will initially be considered so that the Licensee may address the City Council.
 - e. The Licensee may terminate this Agreement for any reason by providing 30 days’ written notice to the City.
3. License Fee. Within 30 days of the execution of this Agreement the Licensee shall pay to the City a nonrefundable license fee of \$1 and an annual Marina Seasonal Slip Fee of \$7,900. In

each year thereafter while this Agreement remains in effect, the Licensee shall pay the Marina Seasonal Slip Fee of \$7,900 prior to March 15.

4. Property Rights. This Agreement grants only a license to use and does not grant or convey to the Licensee any rights, title, or interest in the Marina Slip. The City retains all property rights in the Marina Slip. Except as otherwise provided by this Agreement, no modifications, improvements, or additions shall be made by the Licensee to the Marina Slip without the City's prior written consent. At the expiration or termination of this Agreement, or any renewal period(s), all modifications, improvements, and additions made to the Marina Slip by the Licensee, once accepted by the City, shall become the sole property of the City. If the City does not desire to retain the modifications, improvements, or additions, the Licensee shall return the Marina Slip to the condition it was in prior to the effective date of this Agreement, at no cost to the City. The Licensee shall also remove the advertising dock box at the request of the City, at no cost to the City. If the Licensee fails to restore the Marina Slip to its original condition or fails to remove the advertising dock box at the request of the City, the City may do so, and assess the costs to the Licensee.

5. Parking. The City will not provide exclusive parking for the Licensee's tour boat operation. The Licensee's Customers may use the general public parking area provided at the Marina. Customers may also use the Marina loading area on Water Street for a maximum of 15 minutes.

6. Non-exclusive License. The license is not exclusive to the Licensee. The City may license other commercial boat operations at its marinas.

7. Requirements of Licensee. The license is subject to the following terms and conditions:

- a. The Licensee's tour boat business shall consist only of offering excursion tours on Lake Michigan to the public for a fee. No other use is permitted by the license.
- b. The Licensee's use of the Marina Slip shall be limited to one vessel for its operations per season, and the size of the boat shall not exceed 40 feet in length and 14 feet in width, without advance written authorization from the City.
- c. The Licensee may advertise its tour boat business at the Marina by displaying the Licensee's name, phone number and other contact information on a dock box near the Marina Slip, by placing advertising literature in a flier box on or near the southwest side of the Marina, and by displaying a flag or banner flown on its vessel. All advertising on City property is subject to City of South Haven Zoning Ordinance regulations and subject to approval of the Marina Manager.
- d. The Licensee shall ensure that its operation of the tour boat business, and the use and operation of its vessel complies at all times with applicable local, state and federal laws, rules, regulations, ordinances, orders, permits, and licenses.
- e. The Licensee may operate its business from the licensed Marina slip from 9:30 a.m. to 10:30 p.m., seven days per week, during each Seasonal Use Period throughout the term of this Agreement.
- f. The Licensee may keep its vessel docked at the Marina Slip during the Seasonal Use Period, however, the Licensee understands and acknowledges that, from time to time, the City may require that the Licensee's vessel be relocated from the Marina, at no cost to the City, to accommodate special events, or if inclement weather requires. At the time of the

execution of this Agreement, there are no such events scheduled. If an event is scheduled that requires the Licensee to remove its vessel, the City shall notify the Licensee in writing at least 60 days in advance. If the Licensee is required to its vessel at the request of the City to accommodate a special event, the Licensee shall have the option to relocate its vessel to another City owned slip at no cost to the Licensee, provided a slip is available. The parties acknowledge that during certain special events, there may not be an alternate available City slip, in which case the Licensee will be required to relocate its vessel elsewhere at no cost to the City.

g. The Licensee understands and acknowledges that from time to time, its ability to access the Marina slip licensed under this Agreement may be affected by festivals and other events.

h. The Licensee shall make no representations to any person or entity as to any affiliation with, endorsement by, or sponsorship with the City. The Licensee is in no way and at no time during the term of this Agreement affiliated with the City. The Licensee shall not use the City's logo at any time for any purpose.

i. The Licensee shall remove and dispose of all trash and debris from the operation of its tour boat, offsite.

8. Indemnification. The City shall not be responsible for any loss, damage or injury from the Licensee's operation of the tour boat business or its use of the Marina Slip under this Agreement. The Licensee shall hold the City (defined for purposes of this paragraph to include the City's officers and employees) harmless from, indemnify it for and defend it (with legal counsel reasonably acceptable to the City) against any demands, claims or causes of action arising from the Licensee's operation of the tour boat business or its use of the Marina Slip under this Agreement.

9. Insurance. Throughout the term of this Agreement, or any renewals thereof, the Licensee shall obtain and maintain commercial general liability insurance with limits of not less than \$1,000,000.00 dollars per occurrence and \$3,000,000.00 dollars in the aggregate. All policies shall name the City (including its officers and employees) as an additional insured and certificate holder and the Licensee shall obtain any requisite endorsements. Copies of certificates of insurance showing the coverage to be in place, that the premiums are fully paid, and that coverage cannot be terminated or modified except after 30 days prior written notice to the City, shall be provided to the City. Upon request, the Licensee shall provide the City with copies of the policies of insurance and all endorsements.

10. Assignment or Use by Others Prohibited. The Licensee may not assign this Agreement or its rights, privileges, duties or obligations under this Agreement and may not allow any other person or entity to use the Licensed Property for any purpose without the City's prior written consent.

11. Miscellaneous.

(a) This is the entire agreement between the parties regarding its subject matter. There are no prior or contemporaneous agreements. It may not be modified or amended except in writing, signed by all parties. It shall not be affected by any course of dealing. The captions are for reference only and shall not affect its interpretation. This Agreement shall be construed as though it was mutually drafted.

(b) Any notices shall be made in writing to the addresses first written above or such other addresses as indicated by notice and shall be made by personal delivery or by postage prepaid United States first-class mail and shall be deemed completed when actually received or, if by first-class mail, three business days after mailing.

The parties have signed this Agreement as of the date first above written.

CITY OF SOUTH HAVEN

IT-IL-DO CHARTERS, LLC

By: _____
Robert Burr, Mayor

By: _____
Chad Bard, Co-Owner

By: _____
Amanda Morgan, Clerk

Date Signed: _____, 2015

Date Signed: _____, 2015

EXHIBIT A

SOUTHSIDE MUNICIPAL MARINA PREMISES

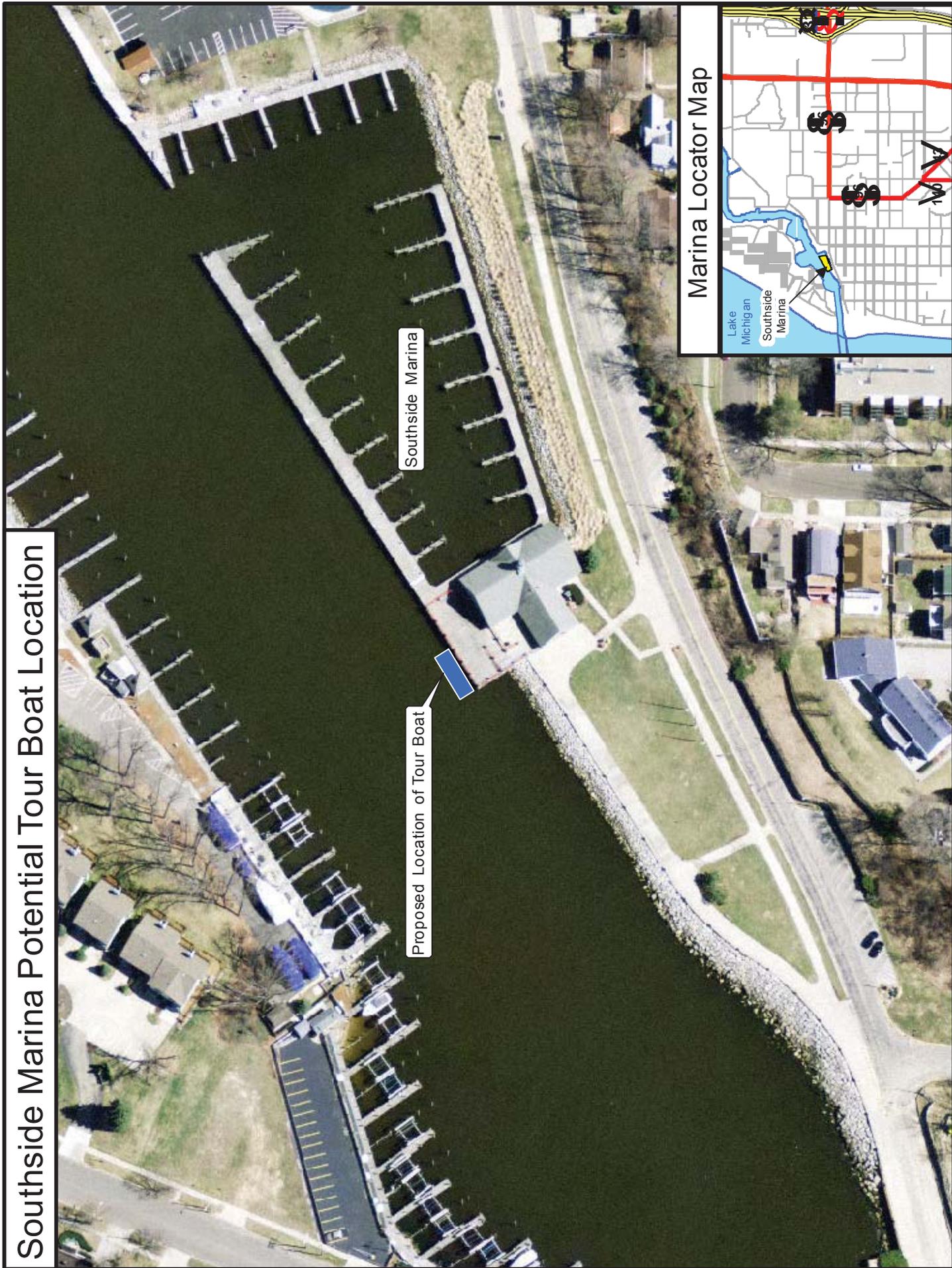
South Side Marina - City Charter Boundary Description



EXHIBIT B
MARINA SLIP

GRAPIDS 57671-1 352569v3

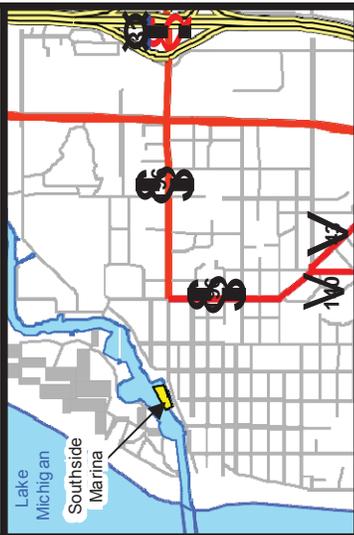
Southside Marina Potential Tour Boat Location



Southside Marina

Proposed Location of Tour Boat

Marina Locator Map





AGENCY USE	Previous USACE File Number	Date Received	DEQ File Number	
	USACE File Number		Fee received \$	
<p>Validate that all parts of this checklist are submitted with the application package. Fill out application and additional pages as needed.</p> <p><input type="checkbox"/> All items in Sections 1 through 9 are completed.</p> <p><input type="checkbox"/> Project-specific Sections 10 through 20 are completed.</p> <p><input type="checkbox"/> Dimensions, volumes, and calculations are provided for all impact areas.</p> <p><input type="checkbox"/> All information contained in the headings for the appropriate Sections (1-20) are addressed, and identified attachments (➔) are included.</p> <p><input type="checkbox"/> Map, site plan(s), cross sections; one set must be black and white on 8 1/2 by 11 inch paper; photographs.</p> <p><input type="checkbox"/> Application fee is attached.</p>				
1 Project Location Information For Latitude, Longitude, and TRS info anywhere in Michigan see www.mcgi.state.mi.us/wetlands/				
Project Address (road, if no street address)		Zip Code	Municipality (Township/Village/City)	County
345 WATER ST		49090	SOUTH HAVEN	VAN BUREN
Property Tax Identification Number(s) 007-00		Latitude	Township/Range/Section (TRS)	
80-53-094-002-01 & 004-00		42.403257 N	T 15 N or S; R 17 W E or W;	
Subdivision/Plat and Lot Number BLK 54		Longitude	Sec 3	
ORIGINAL PLAT OF SOUTH HAVEN		-86.278291 W	OR Private Claim #	
2 Applicant and Agent Information				
Owner/Applicant (individual or corporate name)		Agent/Contractor (firm name and contact person)		
City of South Haven		PAUL VANDEN BOSCH		
Mailing Address		Mailing Address		
539 Phoenix St				
City	State	Zip Code	City	State Zip Code
South Haven	MI	49090		
Contact Phone Number	Fax	Contact Phone Number	Fax	
269-637-0775				
Email		E-mail		
		pvandenbosch@south-haven.com		
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Is the applicant the sole owner of all property on which this project is to be constructed and all property involved or impacted by this project? ➔ If no, attach letter(s) of authorization from all property owners including the owner of the disposal site.				
Property Owner's Name (if different from applicant)		Mailing Address		
Contact Phone Number	City	State	Zip Code	
3 Project Description				
Project Name		Preapplication File Number		
SOUTH SIDE MARINA Extension		- - -P		
Name of Water body		Date project staked/flagged		
BLACK RIVER				
The proposed project is on, within, or involves (check all that apply)			Project Use	
<input type="checkbox"/> an inland lake (5 acres or more) <input type="checkbox"/> a Great Lake or Section 10 Waters <input type="checkbox"/> a pond (less than 5 acres) <input type="checkbox"/> a wetland <input checked="" type="checkbox"/> a stream, river, ditch or drain <input type="checkbox"/> a 100-year floodplain <input type="checkbox"/> a legally established County Drain <input type="checkbox"/> a dam Date Drain was established <input type="checkbox"/> a designated high risk erosion area <input type="checkbox"/> a channel/canal <input type="checkbox"/> a designated critical dune area <input type="checkbox"/> 500 feet of an existing water body <input type="checkbox"/> a designated environmental area			<input type="checkbox"/> private <input checked="" type="checkbox"/> commercial <input checked="" type="checkbox"/> public/government <input type="checkbox"/> project is receiving federal/state transportation funds <input type="checkbox"/> Wetland Restoration <input type="checkbox"/> other	
Indicate the type of permit being applied for: <input type="checkbox"/> General Permit <input checked="" type="checkbox"/> Minor Project <input type="checkbox"/> Individual (All other projects.) ➔ See Appendix C.				
Written Summary of All Proposed Activities				
Extend marina dockage 80 feet to west on existing dock, install new spring piles.				
Construction Sequence and Methods				
Cut railing, install gates and boarding ramp. Install electric and water pedestals. Install spring pilings.				



4 Project Purpose, Use and Alternatives *Attach additional sheets as necessary.*

Describe the purpose of the project and its intended use; include any new development or expansion of an existing land use.

Describe the alternatives considered to avoid or minimize resource impacts. Include factors such as, but to limited to, alternative locations, project layout and design, and construction technologies. For utility crossings include alternative routes and construction methods.

5 Locating Your Project Site *Attach a legible black and white map with a North arrow.*

Names of roads of closest intersection **WATER STREET AND KALAMAZOO STREET**

Directions from main intersection to the project site, with distances from the best and nearest visible landmark and water body
SOUTH SIDE MARINA IS 500 FEET WEST OF KALAMAZOO STREET

Description of buildings on the site (color, 1 or 2 story, other) **GREY BUILDING WITH CUPOLA**

Description of adjacent landmarks or buildings (address; color; etc) **RIVERFRONT PARK**

How can your site be identified if there is no visible address?
THERE IS AN EXISTING SIGN

6 Easements and Other Permits

No Yes Is there a conservation easement or other easement, deed restriction, lease, or other encumbrance upon the property?
 ➔ If yes, attach a copy. Provide copies of court orders and legal lake levels if applicable.

List all other federal, interstate, state, or local agency authorizations including required assurances for Critical Dune Area projects.

Agency	Type of Approval	Number	Date Applied	Date approved /denied	Reason for denial

7 Compliance

If a permit is issued, when will the activity begin? (M/D/Y) _____ Proposed completion date (M/D/Y) _____

No Yes Has any construction activity commenced or been completed in a regulated area?
 ➔ If Yes, identify the portion(s) underway or completed on drawings or attach project specifications and give completion date(s).

No Yes Were the regulated activities conducted under a DEQ and/or USACE permit?
 ➔ If Yes, list the permit numbers

No Yes Are you aware of any unresolved violations of environmental law or litigation involving the property?
 ➔ If Yes, attach explanation.

8 Adjoining Property Owners *Provide current mailing addresses. Attach additional sheets/labels for long lists.*

<input type="checkbox"/> Established Lake Board <input type="checkbox"/> Lake Association	Contact Person	Mailing Address	City	State and Zip Code

List all adjoining property owners.
 If you own the adjoining lot, provide the requested information for the first adjoining parcel that is not owned by you.

Property Owner's Name	Mailing Address	City	State and Zip Code

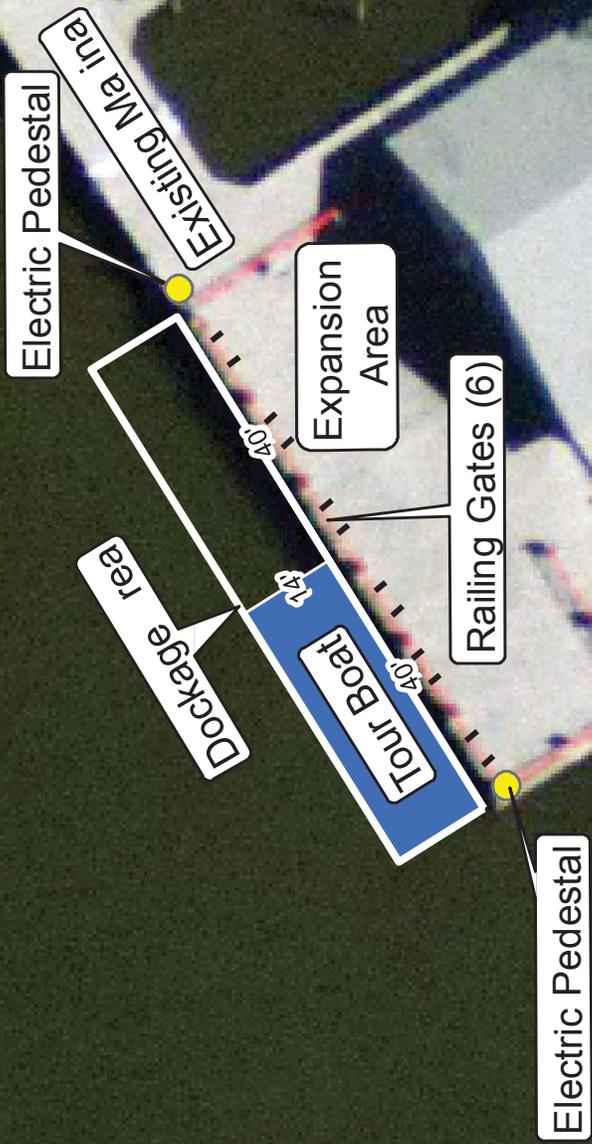


9 Applicant's Certification *Read carefully before signing.*

I am applying for a permit(s) to authorize the activities described herein. I certify that I am familiar with the information contained in this application; that it is true and accurate; and, to the best of my knowledge, that it is in compliance with the State Coastal Zone Management Program. I understand that there are penalties for submitting false information and that any permit issued pursuant to this application may be revoked if information on this application is untrue. I certify that I have the authority to undertake the activities proposed in this application. By signing this application, I agree to allow representatives of the DEQ, USACE, and/or their agents or contractors to enter upon said property in order to inspect the proposed activity site before and during construction and after the completion of the project. I understand that I must obtain all other necessary local, county, state, or federal permits and that the granting of other permits by local, county, state, or federal agencies does not release me from the requirements of obtaining the permit requested herein before commencing the activity. I understand that the payment of the application fee does not guarantee the issuance of a permit.

<input type="checkbox"/> Property Owner <input type="checkbox"/> Agent/Contractor <input type="checkbox"/> Corp. or Public Agency / Title	Printed Name	Signature	Date
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Southside Marina Potential Tour Boat Dock Location



Harbor Commission

Regular Meeting Minutes

Tuesday, March 17, 2015, 5:30 p.m.
Council Chambers, South Haven City Hall



City of South Haven

1. Call to Order by Arnold at 5:30 p.m.

Present: Reineck, Stephens, Sullivan, Arnold
Absent: Pyle, Stegeman, Silverman

2. Approval of Agenda

Motion by Stephens, second by Sullivan to approve the February 17, 2015 Regular Meeting Agenda.

All in favor. Motion carried.

3. Approval of Minutes: February 17, 2015 Regular Meeting

Motion by Reineck, second by Stephens to approve the February 17, 2015 regular meeting minutes as written.

All in favor. Motion carried.

4. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

There were none.

5. Marina Reports

VandenBosch reviewed the Marina Reports, noting year-to-date revenue, expenses and cash and investment balances.

6. Tour Boat

VandenBosch introduced the item by pointing out that he has put together a staff report and resolution and at the last minute had included a proposal by Abonmarche Engineering to design and bid improvements to make possible the dockage of vessels in the expansion area indicated. VandenBosch also noted that at this time, looking at the Abonmarche proposal, and at what we are proposing to do, VandenBosch requested the removal of the Abonmarche proposal. The reason is that city staff thinks the installation of electric pedestals

and installation of railings and gates can be done in-house if this is approved. Therefore, VandenBosch wanted to be up front regarding the resolution, that staff is not recommending the approval of the Abonmarche proposals in the resolution at this time.

VandenBosch gave an overview of the request before the Harbor Commission. "We have a tour boat that would like to rent space from the South Side Marina; the west end of the deck area, which is a public deck area." VandenBosch noted that staff is not asking in any way to take away the public access to this deck; that should continue, but the marina would like to use that area as a headwall/marina dockage and the city has a request to use the west forty (40) feet of that for a tour boat. That request is from Chad Bard of IT-IL-DO Charters, LLC, the same company that leases a slip from the city for charter fishing.

VandenBosch explained that whether this area is used as transient marina or used for the tour boat we have to apply to the Department of Environmental Quality (DEQ) for a permit to expand our marina; for the tour boat, we would have to also go to the Department of Natural Resources (DNR) for permission to allow a commercial use in an area of the marina that is designated for transient use. VandenBosch indicated that he does not foresee any problem with obtaining those permissions, but it is a step that has to be gone through.

To clarify his reasons for not recommending the Abonmarche proposal, VandenBosch pointed out to the Commissioners the handout prepared by the city's GIS Tech, showing the harbor, with the red lines indicating the harbor lines. VandenBosch indicated that this map is not a survey, but it does make it clear that the harbor lines run right up against the dock that is under discussion. What that means is that it is very possible that pilings will not be able to put in the water, which was part of the original proposal. "If you look at Abonmarche's proposal, they indicated \$4,500 to do the survey and identify the location of the harbor lines." VandenBosch noted. "That seems quite expensive when instead of that staff can just use the existing deck, installing electric pedestals and cutting gate openings in the railing that can be closed." VandenBosch pointed out that this would be a relatively simple process and not something that we would not need to get Abonmarche involved with.

VandenBosch suggested that as the Commission looks through the packet we do have a proposal from IT-IL-DO Charters; we have been following our city's commercial use policy which was looked at by Harbor Commission and approved by City Council. The description of the boat is 40' by 14'; a United States Naval Launch boat, pictures are included in the packet, as well as a license agreement on page twenty-six (26) drawn up by the city attorney based on previous license agreements the city has and which Chad Bard has had a chance to review.

VandenBosch also indicated that he has included an application for a Department of Environmental Quality (DEQ) permit but would remove any reference to installation of spring pilings, based on his previous explanation, which reduces the request to use an existing deck area, installing electric pedestals and creating gated openings in the railings.

VandenBosch suggested that the Commission hear from Chad Bard regarding his proposal and pointing out that the resolution prepared for you could be used, recommending the striking of any reference to the proposal from Abonmarche. VandenBosch also clarified that while the resolution is for Harbor Commission, it is a recommendation to City Council; this is

a City Council decision. If recommended by the Commission, VandenBosch would just remove the Abonmarche proposal and send it City Council absent that reference.

In response to VandenBosch's request for questions, Stephens asked, "What would be the public benefit of allowing public dock space in a prime location in the city harbor?" While asking that Bard also address this question, VandenBosch did say that it would be a public attraction for visitors and residents, a way to get outdoors, to get out on the water even if one does not own a boat, indicating that those would be general benefits of having a tour boat operation.

Stephens asked the cost of the DEQ and Department of Natural Resources (DNR) permits, to which VandenBosch responded that the DEQ is five hundred dollars (\$500) and that he does not believe there is a cost associated with the DNR approval.

Reineck noted that the Commission has discussed having something like this within the past year; this proposal is on a smaller scale, a little more realistic. Following the same line of reasoning, Reineck also commented that scaling the project back so it is not so extensive to prepare for such a thing goes along with that same line of reasoning and that if this endeavor does not work, because the agreement is for just one year, the improvements to the head dock could be used for other purposes. Discussion ensued regarding supporting tourism by allowing a different venue than the sailboat to get people out on the water.

Sullivan questioned VandenBosch whether the jet ski rental license had been renewed to which VandenBosch responded that the jet ski rental was not there last year and did not come back for renewal.

Sullivan expressed his concerns with using such a great location for a commercial entity, noting that there could be times when the forty or so passengers would be in that location, perhaps competing with other boaters for that space; would like to keep that area as pristine as possible.

Chad Bard, IT-IL-DO Charters. Stated that this boat is going to do a lot for this town and provide another way besides the sailboat to get out on the water. Sullivan responded that he is in favor of the tour boat but his opposition is the location. Bard noted that the license agreement is written in favor of the city; Bard has agreed to move his boat if the city needs him to and the lease is a year-to-year lease so "if it doesn't work out the lease is only for a year."

Arnold reminded that the location at the South Marina deck has been noted as bad due to storm surges and questioned whether the plan is to keep the boat there full time. Bard responded, "Yes, the boat is built like a tank; has cleats on it; is all reinforced fiberglass;; fireproof; no wood in the boat; built to Navy specifications to be dropped off boats and right itself; it's very sturdy and strong. I'm going to have a rubber rail on it and we shouldn't have any problems with that."

Stephens questioned what Bard is planning to protect the docks from damage by the boat, to which Bard, explaining how the dock is constructed, stated he did not see that there would be any problem of that nature. Stephens noted that surges when the wind is from the west or northwest are significant and her experience with having the Friends Good Will docked there

in the past is that there could be damage to the dock. Bard responded that if that appeared to be a problem, which he does not think it will, he could always move the boat to an alternate location. In response to Stephen's questions of whether he has an alternate location, Bard said while he does not have a specific site in mind, he is sure he could find an alternate location.

Stephens brought up several more questions regarding congestion during festivals and other events; whether granting this request would result in the public perception of favoritism, whether there were other accessible sites and having a boat docked in the Federal channel. Bard responded that others have the same opportunity to make a similar request; that anyone could but he is the one who is going through the steps to do this and the city will benefit from the amount of money it will cost Bard to dock his boat there; that he believes it's going to be good for the tourists, for the townspeople, thinks it's a win-win. Stephens stated the location is her main concern.

Arnold noted that there does not seem to be any favoritism involved, that he likes the idea and sees it as similar to the previous request by the jet ski business. Arnold also noted that if the Commission chooses not to recommend Bard's proposal, the marina manager could rent space out for pleasure boats that come in. Arnold's question, to VandenBosch, was whether there is concern of slipping something over the harbor lines, such as the discussion we had when Joe Wiltgen came forward with his proposal for Admiral Jack's. VandenBosch stated that he would not recommend building anything into the harbor beyond the harbor lines, noting that staff had discussed adding a piling, and stated that the city enforces other developers to stay on their side of the harbor lines so cannot expect any different treatment. VandenBosch explained, in response to Arnold's question about City Council's approval of engineering last evening that the approval was for preliminary engineering to determine whether it is possible to extend the dock toward Lake Michigan, not closer to the harbor lines, with appropriate measure for surge protection and wave attenuation. After a question from Arnold, regarding potential changes in that area violating an agreement with Bard, VandenBosch noted that any such changes are probably years down the road.

Sullivan questioned whether the boat will be over the harbor line to which VandenBosch responded that the boat will be, but it is acceptable for boats to be beyond the harbor line. Sullivan then asked whether the Federal harbor lines are the same as the city harbor lines. VandenBosch noted that the Federal Harbor lines in South Haven are defined as the line to which the Army Corps used to dredge, and it is acceptable for boats to be docked there. Discussion ensued regarding the legality of boats being docked within that area and whether that is a Coast Guard issue, with Stephens saying she will check into it and requesting that VandenBosch do so also.

Sullivan asked for details about the type of boat and refueling, which Bard described as a single engine diesel which he would refuel at All Seasons Marine or the Yacht Club.

Gary Horton, President, Michigan Maritime Museum. Elaborated on the museum as a non-profit, serving the public, with several boats that go upriver or out on the lake, each having a historical background, and noted the short season in which to support keeping a museum going. Noted that it is seldom that the boats are loaded to capacity.

Patti Montgomery, Director, Michigan Maritime Museum. Expressed appreciation for Bard's goal of getting people out on the water, noting that is one of the museum's missions. Pointed out that Bard's pricing is less than the museum's pricing, which is very carefully set to cover maintenance and care for the tall ship and other vessels, to keep them safe and a quality exhibition to the public as well as being a boat ride. Montgomery also pointed out the education piece of the museum's mission, noting that while their price is a little higher than Bard's proposes they are also able to get kids out on the water for a lower price due to their price structure. Montgomery noted that the city was very good to us (the museum) last year when we faced water depth issues, and let us dock the Friends Good Will in that same spot Bard is proposing to use. Montgomery stated, "That's a prime location and the museum could step forward and say we would like to dock there, too." Montgomery also pointed out that with the passengers with tickets on their vessels, they incur issues with restrooms and parking, and if Bard has forty-nine (49) passengers going out five (5) times a day, that's around two hundred fifty (250) people; there are going to be issues with restrooms and parking, something that she has not heard mentioned. Montgomery reiterated her support for getting people in boats out on the water, but also listed concerns with having places for tall ships and other boats to dock, even though that has not been possible due to low water levels in the recent past. Finally, Montgomery promoted the museum's excitement in bringing a historic Cost Guard boat to the harbor and asked the commissioners to consider some of these other things as they look forward to see if there is a way to help each other, for the museum to partner, because of the age and history of the boat Bard is proposing to bring into the harbor.

Bard quoted his charter buddy, noting "There's enough to go around for everybody," and stated, "When there's nobody in town, nobody's busy and when everybody is in town, everybody is busy." Stated that he understands the museum feeling threatened because of his business, but stated that he is not trying to take anything from anyone, or from Friends Good Will. Bard asked, "Am I going to refer people to Friends Good Will?" and stated, "Of course! I refer people to Friends Good Will daily on my charter boat when I'm fishing." Bard feels that he will just be contributing a way for more people to get out on the water; while understanding that the museum is feeling threatened that his business will take away from Friends Good Will. Bard also remarked that if he remembers correctly, the Friends Good Will was never parked where he is proposing to put his boat, that it was on the headwall that is already used, and as far as he can recall that nothing has ever been docked there."

Stephens asked if there is an electric post where Bard is proposing to be, and after learning that there is not, commented that she believes Bard is correct.

Sullivan asked if Bard has planned a route where he will be taking the boat to which Bard responded that he has talked to some of the realtors about taking groups out to view houses from the lake. In response to another question from Sullivan, Bard said he could take the boat up the river if the lake was too rough, but noted that his thought is more to go by the lots and million dollar houses that are listed for sale to allow people to see them from a different perspective and to take people by the clay formations out there near 107th. Bard responded to another question from Sullivan explaining that he will be doing coastal tours, within about two (2) miles out and no more than twenty (20) miles from a safe harbor.

Bard also noted that he gets calls all through the season, but particularly during festivals, with people wanting to just go out on a cruise because Friends Good Will is booked up.

Stephens asked where two-hundred fifty (250) people are going to park, noting Bard's letter to the city manager suggests he will be having forty-nine (49) people five (5) times a day. Bard said his customers will probably be mostly walk-ups, the people are already there, his business will be the foot traffic people. Stephens then referred the question to VandenBosch, regarding restroom use and city requirements. VandenBosch stated there are two restrooms there; festivals are required to provide one restroom per five hundred attendees, that's heavy use. VandenBosch stated he doesn't really know the answer whether that it going to be enough. Bard said he does not think Stephens is looking at the situation from the same eyes as he is and pointed out that when there are already thousands of people during Harborfest, they have already parked, and as far as restrooms, he will be helping the situation, because some of those people can use the restroom on his boat, instead of using the city restrooms. Bard also is planning to work with some of the schools to take classrooms out at a group rate. Discussion ensued again regarding whether or not Bard is going to be taking business from the museum or just taking the overflow. Bard reiterated that most of the year there are not enough people in town, but during those two or three months, there are not enough boats to take everyone that wants to go.

Motion by Reineck to accept the proposal as presented.

Motion failed due to lack of a second.

VandenBosch reminded that if a motion is made, it should be in the form of a recommendation to City Council and clarified that this will go to City Council, which is part of the commercial use policy that the city has, City Council will receive the minutes and see the discussion and the motion and your motion will be very important to them.

Arnold attested that City Council does listen to the advice of the boards and commissions.

After a pause, Arnold moved to Item 7. Grant Applications. VandenBosch clarified that without a motion there is no recommendation to City Council.

Sullivan asked if there could be continued discussion and VandenBosch said that is up to the commission. Arnold stated that discussion could continue.

Sullivan is not in favor of recommending to City Council at this time, thinking that while Bard would like to get this rolling, since spring is coming, but it might take another month for the commission to think this through.

Arnold said his thought was that would give Bard time to address the concerns heard tonight and also give the museum time to think it through, and after further discussion it could be put to a vote. Arnold asked if it is correct that even without a motion, this proposal will move to the next step anyway.

Sullivan asked about a motion to recommend not using that location for a commercial purpose, and then stated that he would make a motion.

Motion by Sullivan to recommend to City Council that this location not be used for this particular charter boat operation. Second by Stephens.

Reineck asked if this motion overrides the previous motion, which Arnold explained was not seconded and therefore died. Sullivan noted that if his motion doesn't pass he would be happy with bringing this back and discussing it next month, explaining that he supports the idea, just not the location and the commission is not here to support the monopoly of the museum. Sullivan remarked, "Competition? Compete! It's about commercial enterprise, free enterprise."

Reichert pointed out that it is not an unappealing vessel and it is not a permanent situation. Sullivan responded that he is not saying it is, but referenced setting precedent. Reichert noted these requests are considered on an individual basis. Sullivan stated that he just does not feel this location should have a commercial enterprise. Reichert noted that the jet ski operation was somewhat commercial. Stephens agreed it was; Sullivan stated he was opposed to the jet ski operation and Arnold corroborated that is correct and noted that the presence of Chad's charter fishing boat there is commercial. Arnold also noted that he believes it is one of the goals of the city to make the south side of the city more of a destination, referring to the proposed splash pads, to get families and kids in that area, down towards the beach, and a tour boat would kind of do that.

Reichert asked if the head docks are extended west, how that space will be used. Arnold stated that was the question we asked and it could be years away. Reichert commented that it is proposed to be a commercial deal, realistically, one could claim not, but realistically, that is what it will be for.

Stephens noted that we, at one time, talked about extending that dock west, to allow docking by cruise vessels on the lakes, so maybe we should revisit extending that dock west for commercial vessel use at some point, stating, "That would be an entirely different discussion." Reichert does not want to keep dodging the current situation, which Stephens agreed does not help our current situation but that we are seeing the need to look at alternate dock space for commercial use on the south side, including tour vessels and cruise vessels.

Bard pointed out that with the amount of money he would be charged to use this space as proposed, which would help the city and the discussion of extending the dock west for commercial use, he does not understand why we cannot get this approved right now. Bard also noted that he does not think it should be about aesthetics; it's a boat and it's a harbor, and it won't be an eyesore, it will be appealing the way we are setting it up. Bard expressed that he cannot understand why there are difficulties, although he does understand the Friends Good Will feeling threatened with competition. Bard asked whether the Friends Good Will docks on a city dock and how much they are paying. It was noted that it is a city dock and VandenBosch stated that the museum pays one dollar (\$1.00) per year. Bard noted he will be paying substantially more, \$7,900 per year. Stephens pointed out that the museum is non-profit and he is for-profit. Bard noted he does not understand all the ins and outs of their project.

Arnold called for a vote on the motion which VandenBosch read:

Recommend to City Council that this location not be used for the charter boat operation.

Ayes: Stephens, Sullivan

Nays: Reineck, Arnold

VandenBosch noted that there is no recommendation for City Council and stated that perhaps the discussion in the minutes may be helpful for City Council.

7. Grant Applications

VandenBosch explained that because the grants' due dates are coming up very quickly, and because of the council meeting on the third Monday and Harbor Commission meeting on the third Tuesday, VandenBosch had to send this to City Council before it came here. The deadline is before April 1 and VandenBosch apologized because this item should have come before the Harbor Commission first but "we have a large number of grant applications based on our Capital Improvement Plan that this board approved in September." VandenBosch noted that some changes did have to be made to fit the criteria and dollar amounts of the grants. VandenBosch reviewed the various grant applications:

Black River Park Driveway Improvements, \$86,000 matching grant from MDNR Waterways Boating Access Infrastructure Grant.

Black River Park Skid Pier, a 25% matching grant, \$12,500 from the Black River Park Fund and \$37,500 from MDNR Michigan Natural Resources Trust Fund. This provides two new skid piers.

Black River Park Restroom Renovation, another 25% matching grant, \$12,500 from the Black River Park Fund and \$37,500 from MDNR Recreation Passport grant, so the park will get \$50,000 worth of bathroom improvements, focusing on countertops, partitions between restroom stalls, some tile and some other work to spruce up the interior of the restrooms.

South Side Marina Building Renovation, we wanted to do about \$300,000 worth of interior renovations but this grant is limited so the need was a new roof since the present roof was from 1992 and there is some wood rot in the cupola area. This is a 50% match, so the city would pay \$62,000 and the grant would provide \$62,000.

South Side Marina Dock Extension Engineering, tying wave attenuation design with extension of the dock trying to create more transient head dock. VandenBosch noted that we do plan to use that area in a number of ways, including attracting a cruise ship and potential commercial uses. What this engineering is doing is finding out if it is possible in that area where we have a lot of storm surge. Also hoping to benefit the rest of the western harbor.

VandenBosch noted that those are five (5) grants that City Council approved last night.

VandenBosch informed that the city has also been awarded an accessible kayak launch including accessible sidewalk to the restroom. Waiting for review from state historic preservation officer, hoping it will be done by the end of the year.

VandenBosch updated the commission that the Downtown Development Authority (DDA) is looking at funding Black River Park parking lot improvements in the area of the gravel lot used for dredge spoils; the back area is still very soft and the engineer said nothing could be done there at this time, but the area near Dunkley Ave and bike trail is more stable and the

DDA would like to build a parking lot with forty-two (42) parking spaces, it's our master plan but it benefits the DDA on peak tourism days.

VandenBosch reminded that the deadline for the grant for the Black River Park fish cleaning station is in August so staff will be working on meeting that deadline. Staff is not one hundred percent (100%) sure that grant will be opened up in August but the application will be ready if it is opened.

8. Customer Satisfaction Survey

The Commission reviewed the Customer Satisfaction Surveys received at the February meeting.

John Marple, Marina Manager, provided details regarding complaints and comments on a variety of issues including pilings, dogs, social gatherings and staffing.

Member and Staff Comments

VandenBosch gave an update on the bridge, which is to be opened to boat traffic on April 15. There have been some delays due to weather and other issues; the bridge is supposed to be open to vehicle traffic on May 15, but VandenBosch believes efforts are being made to get it opened as soon as possible.

VandenBosch has been attending the Two Rivers Coalition; has learned there are some groups doing some very good work trying to prevent erosion and sedimentation. They are working with farmers; the farmers are voluntarily cooperating with the coalition, planting shoreline vegetation, planting cover crops, doing no till farming. VandenBosch will continue to attend the Coalition meetings, which we are now members of, and focus on fish habitat and sedimentation and erosion. The same things benefit both.

VandenBosch informed that the docks were put in today and the gate will be operational April 1.

Sullivan asked for an update on the David Nixon DEQ permit; discussion.

Adjourn

Motion by Stephens, second by Sullivan to adjourn.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

CITY OF SOUTH HAVEN
VAN BUREN AND ALLEGAN COUNTIES, MICHIGAN

RESOLUTION NO. 2014-19

A RESOLUTION TO ESTABLISH A POLICY ON COMMERCIAL USES AT
MUNICIPAL MARINAS AND BOAT LAUNCH FACILITIES

Minutes of a regular meeting of the City Council of the City of South Haven, Van Buren and Allegan Counties, Michigan, held in the City Hall, 539 Phoenix Street, South Haven, Michigan 49090 on May 5, 2014 at 7:00 p.m. local time.

PRESENT: Arnold, Fitzgibbon, Gruber, Klavins, Kozlik Wall, Patterson, Burr

ABSENT: None

The following preamble and resolution was offered by Member Fitzgibbon and supported by Member Patterson.

WHEREAS, the Council desires to establish rules and regulations for the commercial use of the Southside Marina, Northside Marina, Maritime Marina, Black River Park Marina, and Black River Park Boat Launch facilities.

THEREFORE, BE IT RESOLVED, that the City of South Haven City Council adopts a Marina and Boat Launch Facility Commercial Use Policy set forth in Attachment A.

RECORD OF VOTE:

Yeas: Arnold, Fitzgibbon, Gruber, Klavins, Kozlik Wall, Patterson, Burr

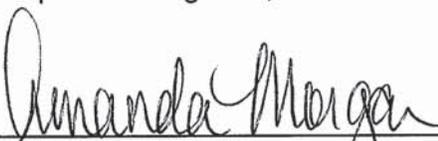
Nays: None

RESOLUTION DECLARED ADOPTED.


Robert G. Burr, Mayor

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council at a meeting held on the 5th day of May 2014, at which meeting a quorum was present, and that this resolution was ordered to take immediate effect. Public notice of said meeting was given pursuant to and in compliance with the Open Meetings Act, Act No. 167 of the Public Acts of Michigan 1976 (MCL 15.261 *et seq.*).


Amanda Morgan, City Clerk

Marina and Boat Launch Facility Commercial Use Policy

1. Purpose. This Policy governs the application process for persons or entities wishing to establish commercial operations at the South Side Marina, North Side Marina, Maritime Marina, Black River Park Marina, and Black River Boat Launch facilities.

2. Application. The person or entity wishing to establish a commercial operation at a facility (the "Applicant") shall submit a written letter of request to the City Manager with the following information:
 - A. The Applicant's name, mailing address, and telephone number. Where the Applicant is a partnership, corporation or other association, this information shall be provided for all partners, officers and directors, or members.

 - B. A statement regarding the type of commercial operation the Applicant wishes to operate. The statement shall identify the space within the facilities (including, if applicable, specific boat slips) that the Applicant wishes to use in the operation.

 - C. Proposed hours of operation, and, if applicable, an approximate schedule of the departure and arrival of boats to be used as part of the commercial operation.

3. Preliminary Approval. The City Manager will review the application and grant preliminary approval upon determining that: (a) the requested space or comparable space is available and has not been requested in a pending application; (b) the requested facility has additional capacity for commercial uses; (c) the proposed operation will not interfere with adjacent use by other customers, produce noise, noxious smells or be otherwise offensive; (d) the proposed operation is not prohibited by the facility regulations in Section 5 of this Policy; (e) the use is a lawful use and all appropriate permits and approvals have been granted; and (f) the proposed operation will not unduly interfere with other commercial operations or recreational uses of the facility.

4. License Agreement. If the application receives preliminary approval, the City Attorney will prepare a license agreement with the following components:
 - A. Term – The initial term of each license agreement shall be one year. The City may, at its discretion, grant renewal terms for longer periods for commercial operations that consistently satisfy their license obligations.

 - B. License Fee – Commercial operations in the facilities shall pay an annual license fee in amount consistent with applicable state and federal regulations. The license fee shall be determined based on the nature and character of the occupied space. For a commercial operation that operates exclusively from a boat slip, the license fee shall generally be double the amount charged for seasonal use of the slip by a recreational boater. However, the City Council may determine from time to time that a particular facility has excess commercial capacity, and, in such situations, the City reserves the right to adjust fees accordingly.

 - C. Insurance Requirements – The applicant shall be required to maintain general commercial liability insurance with minimum liability limits of \$1,000,000 per occurrence and \$3,000,000 in the aggregate, naming the City as an additional insured.

5. Facility Regulations. The following regulations shall apply within the specified facilities.
 - A. Commercial operations at Black River Park Boat Launch involving the rental of motorized boats and motorized watercraft to customers, for operation by such customers, are prohibited.
 - B. Rental of boats which are under a seasonal recreational marina contract is not permitted. This includes rental of boats as lodging, operation as a charter vessel and person to person boat rentals. Operation of a charter vessel from municipal marinas may be permitted under a license agreement subject to this Commercial Use Policy.
 - C. The Black River Park Marina shall not have more than five commercial operations involving the use of a charter vessel.
 - D. The South Side Marina shall not have more than six commercial operations involving the use of a charter vessel.
 - E. The Maritime Marina may be used by the Michigan Maritime Museum for display of historic and character boats and for special events, subject to City Council approval.
 - F. Special events may use municipal marina facilities subject to approval of the Harbormaster and City Council.
6. License Agreement Approval. The license agreement prepared by the City Attorney is subject to review by the Harbor Commission and approval by the City Council. No commercial use shall take place before the license agreement has been executed by the City and the entity operating the commercial use.