

Harbor Commission

Regular Meeting Agenda

Tuesday, October 18, 2016
5:30 p.m., Council Chambers



1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes
 - April 19, 2016 Workshop Minutes
 - June 21, 2016 Regular Meeting Minutes
5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda
6. Financial Reports

NEW BUSINESS

7. Commission will be asked to set Marina Rates for 2016 – 2017.
8. Commission will be asked to consider approval of the renewal of the Black River Park Kayak License Agreement.
9. Staff and member comments
10. Adjourn

RESPECTFULLY SUBMITTED,

Katie Hosier
Harbormaster

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 Clerk. Individuals with disabilities requiring services should contact the City Clerk by writing or calling South Haven City Hall at (269) 637-0750.

Harbor Commission

Regular Meeting Minutes

Tuesday, April 19, 2016
5:30 p.m., Council Chambers



City of South Haven

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

2. Roll Call

Present: Nick Fazio, Greg Sullivan, Cathy Pyle, Tim Reineck, Steve Schlack, Tim Stegeman, Mary Stephens

Absent: None

Also present: John Marple, Marina Manager

3. Approval of Agenda

Motion by Stegeman, second by Sullivan to approve the April 19, 2016 Regular Meeting Agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes – March 16, 2016

Motion by Stegeman, second by Schlack to approve the March 16, 2016 Regular Meeting Minutes as written.

All in favor. Motion carried.

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

None at this time.

5a. Financial Reports

Hosier reviewed the financial reports.

NEW BUSINESS

6. Budget

April 19, 2016
Harbor Commission
Regular Meeting Minutes
DRAFT

Hosier noted she aligned this year's budget with what the previous harbor master had laid out. Set aside some money for the fish cleaning station and driveway for Black River Park; has budgeted a fair bit of money into that as the driveway is in deplorable condition and the fish cleaning station needs a lot of work.

Stephens asked for more detail which Hosier provided explaining that revenue is funds coming in, including hopeful place markers for state matching grants. Hosier noted the only grants we have heard back on are for the restrooms and skid piers, which were passed at last night's city council meeting.

Stegeman asked about putting a couple of signs at the boat ramp about the buoy and how to text for the data. Hosier stated we just ordered signs for some of the other sites and will look into that. Stegeman asked about an electronic sign to relay information in addition to the buoy information. Stegeman noted he thought it was in the 5-year plan. After discussion, Hosier stated she will look into the possibility of an electronic sign.

Stephens asked about a new roof for the South Side Marina to which Hosier responded that the city was awarded grants and matching funds were approved by council for the dock extension and South Side Marina. Hosier added that a metal roof is being considered since they last longer.

In response to a question by Reineck, Hosier explained that the city does have funds earmarked for the roof on the South Side Marina facility.

Hosier noted for the North Side Marina there are no substantial changes and no place markers for state grants since we were just awarded two. Again, Hosier carried over the same kind of line items amounts for the following year.

For the River Maintenance Fund, Hosier noted funding will carry on as in the past.

Stephens asked if we receive a contribution from DDA for River Maintenance Fund; Sullivan pointed it out in the budget. Sullivan asked about increasing the operating transfer in noting the commission had discussed doing that in the past. Hosier noted that would be for dredging and while she can look into that she does not see the amount changing.

Motion by Stegeman to city council to approve this budget with the addition of the sign for Black River Park and the electronic sign.

Hosier noted she is pretty sure the Black River Park sign can be gotten but doesn't know whether she can fit the electronic sign in this year's budget. After discussion, Stegeman modified his motion to leave out the Black River Park sign.

Second by Reineck.

All in favor. Motion carried.

7. Staff and member comments

Hosier: Answers to commissioners' questions from last month were emailed; the staff report regarding the Maritime District has been printed and that information placed at each computer.

Contacted by Yacht Club regarding Queen's Cup. Discussion ensued noting that Queen's Cup is a big draw and a big drain on resources both for the city and the yacht club.

Stegeman: Spoke about the weather buoys being installed and running; around July will be the midway point in the five-year deal. Suggested that Steelheaders do a Go-Fund-Me account to raise money to fund the buoy after five years. In response to a question from Stephens regarding how much it costs to maintain the buoy Stegeman said, "\$20,000 a year."

Hosier noted that the City of Holland will not have a buoy this year as they were unable to raise as much money as needed. Stegeman added that the three main contributors for the South Haven buoy are the City of South Haven, Van Buren County and Entergy at donations of \$5,000 each. Discussion ensued regarding grant money which Stegeman noted stops at getting the buoy, and suggested that commissioners try to see if anyone you know can support the buoy.

Fazio: Asked what information the buoy sign should include. Stegeman noted that our visitors may not know of the buoy. Reineck said the number to activate the foghorn should be included. Discussion regarding whether there is still a sign on channel with the foghorn information and whether the foghorn is operable at this time.

Stegeman: Last night City Council approved the special event request and noted that the tournament will be starting a little earlier in the day, so we hit sun up, necessitating a 5:30 a.m. bridge opening and a 6:00 bridge opening on Friday, Saturday and Sunday, May 13th, 14th and 15th.

Pyle: The clock at the water plant is ten minutes off. Inquired about when the gate/charging will begin. Hosier explained that the gate has been serviced. Marple noted that the fish cleaning station is going as of today, so the gate is going down.

Marple: VandenBosch bought a grinder from River Bend, which has been installed. The plan is to repair the other one and have two of them. In response to a question by Pyle, Marple said the fish cleaning station will be locked at night.

Reineck asked if the fish cleaning station at the North side is operational. Marple said he believes it is running.

Marple: Seasonals are down a little bit at Black River Park. The Maritime Museum Marina is full other than one one-year only slip. The North Side Marina is doing well. Not receiving a lot of calls on transients, which is worrisome, but have a lot of rendezvous on line.

Stegeman: This Thursday, April 21st is the South Lake Michigan Fisheries Workshop. <http://southhavensteelheaders.com/wp-content/uploads/2016/03/Southern-Lake-Michigan->

April 19, 2016
Harbor Commission
Regular Meeting Minutes
DRAFT

[Fisheries-Workshop-2016.pdf](#) Steelheaders are having a membership drive at \$40 per year.

Stephens: Concerns about securing Marine Services in the harbor. All Seasons is up for sale. The Commission has an interest in retaining marina services including the gas dock and deep water haul-out. Asked for suggestions of what the commission can do.

Schlack said that as the city receives information it will be required to go to Harbor Commission. We as a Harbor Commission could make a statement that we want to be involved, but "I'm sure we will be involved." Stegeman noted Mrs. Geisler just passed away so more information may be available soon. Discussion ensued regarding the real estate listing, cost and whether the land and the business will be sold separately or together.

Sullivan: Asked about plans for a boating safety workshop in the next couple of months. Hosier is working on it and has been in conversation with the Coast Guard Auxiliary.

8. Adjourn

Motion by Stegeman, second by Schlack to adjourn at 6:07 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

Harbor Commission

Workshop Minutes Harbor Coordination Meeting Emergency Services

Tuesday, June 21, 2016, 5:30 p.m.
539 Phoenix Street, Council Chambers
South Haven, Michigan



City of South Haven

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

2. Roll Call

Present: Ashley Deming, Cathy Pyle, Tim Reineck, Steve Schlack, Tim Stegeman, Greg Sullivan

Absent: Nick Fazio

Also present: Fire Chief Ron Wise, South Haven Area Emergency Services (SHAES); Fire Marshal Tony Marsala, SHAES Fire Marshall; John Marple, South Haven Marina Manager; Ben Plachta, U.S. Coast Guard Auxiliary; Petty Officer Lopez, U. S. Coast Guard; Stephen Wagner, U. S. Coast Guard; Brigitte Baskin, U. S. Coast Guard; Conservation Officer Matt Page, Michigan Department of Natural Resources

Motion by Stegeman, second by Schlack to open the workshop.

All in favor. Motion carried.

3. Coordinating emergency services in the harbor.

Agency Roles in South Haven Harbor
Emergency Response Coordination
Dredging Update
Weather Buoy
Fire, Collision, Drowning
Direct Fueling
Fuel Spill Response
Other Issues

June 21, 2016
Harbor Commission Workshop
Minutes – DRAFT

Ron Wise explained SHAES would take the lead in case of an emergency in the harbor followed by the Sheriff's Department if there were a death. Ben Plachta noted that the Coast Guard in Grand Haven will sometimes get involved.

Hosier asked how often the South Haven Coast Guard Auxiliary is manned to which Plachta responded that it is supposed to be manned every Saturday and Sunday. Plachta noted that they have been having difficulty keeping the boats up and running.

Matt Page stated that the Department of Natural Resources would be there to assist with emergencies, but as far as the report, that would be done by whoever takes the lead. Page stated that the DNR does not have a Lake Michigan boat in the harbor now; a new boat is supposed to be here in September. In response to a question by Reineck, Page stated that he is in this area along with another officer.

Sullivan asked how calls come in through 911 and Ron Wise explained the protocol: "On a big spill we call the National Response Center; which sends it out on ticker tape, and the various agencies get it, and they call us to get the information they need." Wise noted that SHAES now has "socks" that can be used to contain a spill.

In response to a question by Sullivan regarding whether the designated fueling stations in the harbor are required to have boom material on site, Wise stated that the city has some at the marinas and SHAES will be buying some supplies every year to get a stock built up. Wise explained that when there is gasoline on the water, SHAES cannot do much. "We aren't allowed to do what we used to do, which is to pour dish soap on it, which made it go to the bottom. The environmentalists don't want us to do that."

Hosier stated, "On the issue of fueling, everyone should know that direct fueling should not be done." Tony Marsala responded that it is illegal to fuel a boat other than at the South Haven Yacht Club and All Seasons Marina. It was noted that Jensen's can fuel at their dock because they're a commercial dock. Wise noted that Marsala sends out a letter every couple of years and provided a copy of the 2016 letter for the record.

Wise said last year was the quietest year for complaints about fueling. Hosier asked what to do if someone observes direct fueling. The correct thing to do is to call the non-emergency number (637-5151) because direct fueling is against city ordinance.

Hosier asked whether people that have a portable fuel tank may fill those at any gas station. Marsala noted that it cannot be a gas can, it has to be a fuel tank with a pump. Refueling cannot be done on city property. So you can't pull your boat out of the water and refuel in Black River parking lot. It was noted that the condo slip owners and private beach owners can do it.

Regarding the fire boat, Wise explained that the manufacturer of the boat went out of business after the boat was purchased so it has been difficult to get parts to maintain it. "We

June 21, 2016
Harbor Commission Workshop
Minutes – DRAFT

have been in contact with a gentleman in California who is able to help us with some repairs and retrofit some things about the design to make the boat safer to operate.”

Plachta asked, “In case of an emergency, can we get in contact with SHAES instead of calling 911?” Wise noted sometimes there is no one at the station, because everyone is out on a call. Marsala said in an emergency call 911; if it’s not an emergency you can call the office.

In response to a question about what the Coast Guard considers a “big spill” that they would want to be notified about, Petty Officer Lopez said any gas spill that is noticeable by the eye is considered by the Coast Guard as something to investigate or report.

Lopez said the Coast Guard would like to meet with all municipalities, get involved with a multi-agency drill, noting that a large incident ends up being a communication nightmare when various agencies are on different frequencies. “We need to get with your police department and fire station and coordinate and plan; we want to respond immediately if we have someone in the water. We want to send an asset, and a helo.”

Discussion ensued regarding the Incident Commander being the highest ranking on scene; would coordinate with local enforcement; contact the Coast Guard and work with them. Wise stated that SHAES portable radios have all been updated with the marine channels and also utilize the state. Lopez said we are now up to speed on those, too. Wise agreed that the biggest problem with multi-agency response is communication.

In response to a question about response to a boat collision/drowning event, Wise said our typical response is ambulance and rescue with dive team backup; we also utilize the Van Buren County dive team. Mostly incidents are off the beach or near the pier heads; although sometimes someone slips off their boat and no one notices for a couple of hours and usually when that happens it is an easy find at that point. Wise addressed what would need to be done right away in the case of a boat collision is to get a marker down. Lopez said the Coast Guard will drop a datum which can be used to project current, environment, which way the body may drift.

In response to a question about whether people are permitted to cook on the back of their boat, Wise stated that anything with an open flame is not allowed. After further questioning, Wise stated that hanging a grill off the back of the boat using propane, charcoal or wood would all be considered an open flame and not permitted. That needs to be on the grass across the sidewalk from the slips, according to the ordinance. Wise stated that once one boat is on fire we will be lucky to keep it to three. Hosier noted that grills are not permitted on the docks at the city marinas; grills have to be on the grass or pavement.

Schlack said it would be nice to have some of these main ordinances that are common sense out there, to be in one spot. Discussion ensued about putting them on the Harbor Commission web page; Plachta said the Coast Guard Auxiliary has the ordinances under glass at the station.

June 21, 2016
Harbor Commission Workshop
Minutes – DRAFT

During discussion about the city having some dockage in the township they are responsible for Hosier stated SHAES is a multi-jurisdictional agency. Stegeman said when the City Council approves something, because SHAES is multi-jurisdictional, the townships have to approve the same language. Wise noted that the three townships do approve some together but there are some differences that happen with the various municipalities, some are looser and some tighter – cities and townships are different.

Hosier noted we do not have a dredge situation this year; we are dealing mostly with erosion and stated, “We do have (dredge) permits in place in case that changes.”

Wise updated everyone about the North Pier, which the city and SHAES have been monitoring, noting that some sections of concrete have sunk as much as two feet. This is caused by erosion from the waves; the north pier is worst but some is happening on the south pier. Hosier said the city has been monitoring it, noting, “We’ve taken pictures and sent them off to the Army Corps of Engineers and they were out last weekend looking at it. The deeper sink holes are in the last third of the pier; we have about 3 months of time-lapse pictures showing the progression and it is a concern.” Wise noted that in some places the concrete is breaking, and has exposed rebar, which makes him think about broken ankles and other injuries. Hosier said with the high water levels, the piers have been deluged and damage is showing.

Wise said a 14 mph wind slapped enough water across the pier, so if we have too much wind we won’t be having fireworks. Wise also noted that beach access will limit us getting up and down the beaches; there is a lot less beach due to the high water. “We’ve moved our flagpoles back. We have numbered the flags with #1 at Newcome working south. We are also getting some larger flags that will be visible from the water and the pole numbers will be able to be seen on the beach. Hoping that will help in locating a site where there’s an emergency.” Wise noted we have also numbered the blue boxes and throw rings to help locate people.

Plachta asked about teaching people to throw the rings to which Marsala responded that SHAES teaches a class every year at the yacht club. Plachta suggested putting that kind of stuff on the screen at the marina office. It was noted that Great Lake Surf Rescue has some good materials, but we haven’t gotten many people showing up for the classes.

Pyle suggested getting together with the school to teach the kids about pier safety, etc.

Schlack asked for update on fire boat. Wise said he went down to Covert to assist with a dune fire; the impeller sucked up rocks and was damaged and is currently out of service. The impeller was shipped to California and they got it Tuesday; the place in California is going to give us a new one, and when we get the broken one back SHAES will have two impellers again.

June 21, 2016
Harbor Commission Workshop
Minutes – DRAFT

Schlack asked if the fire boat is ever left in the water. Wise answered that because UV deteriorates the inflatable part of the boat SHAES has managed to keep the boat in usable condition for a long time by not storing it in the water. “We hope to get a fiberglass boat eventually, which sits low in the water to make transferring victims easier.” It was noted that funding will have to be found for a new boat.

Discussion ensued regarding the Coast Guard Auxiliary’s role in the harbor, with a boat needing to be extricated from a situation in which it becomes a salvage operation. Plachta pointed out that the Coast Guard is not in the salvage business. Lopez noted that the Coast Guard does not want to compete with salvage companies.

Lopez asked what the Coast Guard can do for your community, noting that the Coast Guard could possibly do some training. “We do a lot of Facebook, work with radio stations; we like to believe that goes toward less people drowning. We teach the children in the schools how to throw the life rings. We would like to do a water rescue with you guys because you will quickly find the deficiencies; that way we’re not responding in the middle of chaos and learn we just don’t jibe. Our goal is to build a partnership because it is good public relations for the public to see the city doing this. We have helicopter operations days; it helps to build proficiency.” Wise said when you come up to events like the triathlon; we could work out frequencies ahead of time. It was noted that doing this type of exercise helps with vectoring for search and rescues and it helps to work ahead of time on communication. Discussion ensued regarding CO2 poisoning.

Hosier thinks planning for a disaster drill is a great idea. Lopez said the details can be worked out by email. Lopez noted that the Coast Guard will tell you what we do and why we do what we do.

Hosier said there is no weather buoy update; we are looking for funding. We would love to have helicopter training days. Lopez noted that they like to work different areas, but would rather train the first time.

Stegeman updated the board regarding a couple of Steelheaders events. The Salute to Veterans in August and in the fall, at one of our membership meetings we are going to do fire extinguishers/flares with the Coast Guard and give people a chance to try that out.

4. Adjourn

Motion by Schlack, second by Stegeman to adjourn at 6:18 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,
Marsha Ransom
Recording Secretary



South Haven Area Emergency Services

90 Blue Star Highway • South Haven, Michigan 49090
 Phone (269) 637-1813 • Fax (269) 637-9346
www.shaes.org

June 21, 2016

To: Boat owners & Marine Operators Re:

Fueling of Marine vehicles.

The 2012 International Fire Code and the 2008 National Fire Protection Association (NFPA) clearly state that it is illegal to fuel marine vehicles at other than approved marine motor fuel-dispensing facilities.

At this time there are two locations approved for the purpose of fueling floating marine craft with Class I fuels (GASOLINE) for public use. They are the South Haven Yacht club and all seasons Marina.

Section 2230 of the 2012 international Fire code states that.

Fueling of floating marine craft with class I fuels (GASOLINE) at other than a marine motor fuel-dispensing facility is prohibited. Fueling of floating marine craft with class II or III (diesel or heavier fuels) at other than a marine motor fuel-dispensing facility shall be in accordance with all the following:

1. The premises and operations shall be approved by the fire code official
2. Tank vehicles and fueling operations shall comply with section 2904.3.2, 5706.5.1.15, 5706.5.1.16, 5706.6.
3. The dispensing nozzle shall be of the listed automatic-closing type without a latch-open devise.
4. Nighttime deliveries shall only be made in lighted areas.
5. The tank vehicle flasher lights shall be in operation while dispensing.
6. Fuel expansion space shall be left in each fuel tank to prevent overflow in the event of temperature increase.

USE OF TRANSFER TANKS.

The use of transfer tanks in the back of pickup trucks is prohibited. This practice is called wet hosing and is only allowed for class 2 (diesel) and higher liquids. Under the Department of Environmental Quality Michigan storage and handling of flammable and combustible liquids rules section 11.9 of part 3 of the FL/CL rules state wet hosing is only allowed for boats at commercial, industrial, governmental or manufacturing facility, and intended for fueling of the marine craft used in connection with the business, not at a private residence or for personal use. Retailing to the public via wet hosing is strictly prohibited.

The 2008 National Fire Protection Association

11.4 Fuel Dispensing System

11.4.1 All hose shall be listed. Where hose length exceeds 5.5 m (18 ft), the hose shall be secured so as to protect it from damage.

11.4.2 Dispensing nozzles shall be of the automatic-closing type without a latch-open device

11.4.3 Dispensing devices shall be permitted to be located on open piers, on shore, or on piers of the solid-fill type and shall be located apart from other structures so as to provide room for safe ingress to and egress from marine craft.

11.4.4 Dispensing devices shall be located so that exposure to all other operational marina or pleasure boat berthing area facilities is minimized. Where tide and weather conditions permit, liquid fuel handling shall be outside the main berthing areas. Where located inside marina or pleasure craft berthing areas, fueling facilities shall be located so that, in case of fire aboard a marine craft alongside, the danger to other craft near the facility is minimized. No vessel or marine craft shall be made fast to or berthed at any fuel dispensing location except during fueling operations.

11.4.5 No vessel or marine craft shall be made fast to any other vessel or marine craft occupying a berth at a fuel dispensing location during fueling operations.

11.5.2 All electrical equipment shall be installed and used in accordance with the requirements of N.F.P.A. 70, National Electrical Code as it applies to wet, damp and hazardous locations.(flammable liquids)

11.6 Bonding and grounding

11.6.2 The fuel delivery nozzle shall be put into contact with the vessel fill pipe before the flow of fuel commences and this bonding contact shall be continuously maintained until fuel flow has stopped to avoid possibility of electrostatic discharge.

We understand with the cost of fuel boaters will seek an economical way to enjoy the season. However fire codes are in place to protect lives and property. Copies of the sections of the 2009 International Fire Code, and the 2008 National Fire Protection Association governing the fueling of marine vehicles are available at my office. If you have any questions please feel free to contact me at station #3 (269) 637-5151. tmarsala@shaes.org

TONY MARSALA SR
Deputy Chief/Fire Marshal
South Haven Area Emergency Services

City of South Haven
Black River Park Fund - Fund 545
For the period ended September 30, 2016

<i>Revenues:</i>	<i>Month Actual</i>	<i>YTD Actual</i>	<i>2016-17 Adopted Budget</i>
State Grant	\$ - #	\$ -	\$ 288,500
Charges for Service -GATE RECEIPTS NOT INCL YET	451	29,915	169,500
Interest and Rents	-	0	2,600
Other Revenue	-	-	147,960
Total Revenues	\$ 451 #	\$ 29,915	\$ 608,560

<i>Expenses:</i>	<i>Month Actual</i>	<i>YTD Actual</i>	<i>2016-17 Adopted Budget</i>
Personnel Costs	\$ 2,317	\$ 6,507	\$ 40,843
Supplies	411	465	4,230
Admin/Computing/Equipment Fees	2,860	8,579	34,515
Contractual Services	959	3,266	20,000
Utilities	1,208	3,440	10,700
Other Services and Charges	729	2,175	10,505
Repairs and Maintenance	29	156	19,000
Capital Outlay	681	9,250	585,260
Operating Transfers Out to 296	483	1,450	8,199
Total Expenses	9,676	35,288	733,252
Depreciation	4,250	12,750	51,000
Total Expenses and Depreciation	\$ 13,926	\$ 48,038	\$ 784,252

Net Fund Change	\$ (13,475)	\$ (18,122)	\$ (175,692)
Retained Earnings	June 30	\$ 571,859	
Less Net Capital Assets		\$ (321,938)	
Net Undesignated Reserves		\$ 249,921	
Add Seasonal Rentals paid but not posted to income yet		\$ 57,686	
Deduct Receivables owed to BRP but not yet received		\$ (29,765)	
Deduct Expenses paid in advance, not posted to expense yet		\$ (1,986)	
Add(Deduct) Amount due to/ from Beach, Rev earned but not in cash		\$ 668	
Add Accounts Payable owed but not paid yet		\$ -	
Adjusted Undesignated Reserves		\$ 258,402	
Cash & Investments Balance at month end		\$ 258,402	

Black River Park Revenue
As of September 30, 2016

NOT ALL AUGUST MONTHLY REVENUES HAVE BEEN POSTED AT THE TIME THIS REPORT WAS PREPARED

Fiscal Year Ending	Boat Launch & Parking fees	Seasonal Launch Permit	Seasonal Dock	Transient Dock	Revenue Total	Operational Expense	Net Revenue
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	43,770	8,504	101,265	8,961	162,500	96,753	65,747
2016	49,942	8,031	98,790	2,093	158,856	112,697	46,159
2017	26,226	275	0	3,136	29,637	24,588	5,049

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
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	1,149	5,189	6,604	16,800	11,136	7,727	2,652	0	0	51,257
2016	0	0	0	500	5,212	5,915	13,756	12,471	0	0	0	0	37,853
2017	0	0	0	0	0	0	0	0	0	0	0	0	0

Launching - Seasonal Permit Revenue													Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
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	1,629	1,850	3,250	725	0	0	0	0	0	7,604
2016	100	0	750	1,075	3,100	2,281	275	0	0	0	0	0	7,581
2017	0	0	0	0	0	0	0	0	0	0	0	0	0

Seasonal Dock Revenue													Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
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	7,235	-3,800	7,265	10,360	0	0	1,130	600	2,000	7,610	0	98,705
2016	60,440	12,510	5,510	3,600	5,390	0	0	0	0	0	0	0	87,450
2017	0	0	0	0	0	0	0	0	0	0	0	0	0

Transient Dock Revenue													Calendar Year
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
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	114	2,249	933	712	323	0	0	0	4,331
2016	0	0	0	0	150	-25	1,867	898	371	0	0	0	3,261

Marina Fund Revenue
As of September 30, 2016

Fiscal Year Ending in	Seasonal	Transient	Revenue Total	Operational Expense	Net Revenue
2013	377,199	89,267	466,466	599,418	-132,952
2014	402,337	154,894	557,231	535,339	21,892
2015	432,603	151,348	583,950	419,246	164,704
2016	461,130	172,843	633,973	426,599	207,374
2017	10,077	74,802	84,879	137,357	-52,479

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.

Seasonal Marina Revenue

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
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	9,510	2,135	60	0	200	2,200	16,266	19,965	5,325	433,191
2016	348,790	36,840	12,935	8,510	4,675	5,424	4,259	3,218	2,600	0	-	0	427,251
2017	0	0	-	0	-	0	0	0	0	0	-	0	0

Transient Marina Revenue

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar Year Total
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	7,115	7,571	7,319	13,530	17,793	44,362	48,388	14,946	1,089	0	0	164,941
2016	3,026	3,863	6,850	7,724	21,232	21,364	35,254	28,993	10,555	0	-	0	138,860
2017	0	0	-	0	-	0	0	0	0	0	-	0	0



Agenda Item 7

Rate Renewal

Background Information:

Harbor Commission will be asked to review and recommend approval of the resolution setting the seasonal and transient slip rates for the South Haven Municipal Marinas to the City Council.

Staff has reviewed the existing rates that were set in 2015 and amended in February of this year. In reviewing the prices, staff makes the following recommendations:

Seasonal Rates:

NORTH SIDE MARINA

North Side Marina rates should stay the same but for the exception of dock 40.5. This is a 24' dock at the Northside Marina located on the north side of the pavilion. The dock, for safety reasons, should not have a boat larger than 20' for safe ingress and egress from the slip. The seasonal dockage fee for this slip has been \$1,100 since at least 2013. This fee translates to roughly \$55 per foot whereas the other sizes of docks at the North Side Marina are between \$98 and \$100 per foot. Recognizing that bringing this dock into conformity with the other docks would be a 43% increase from one year to the next, staff is recommending a 22% increase in the slip fee. This dock is west of the bascule bridge and the current price does not reflect the value of the upgraded marina facilities or its proximity to the lake. For this year, the dockage fee would be \$1,540.00. Additionally, in the interest of fairness, the fee should be equitable with the docks at the same location.

MUSEUM MARINA

Last year, the rates at the other marinas were raised 2%. Staff recommends that due the increased occupancy at this marina, the rates should be also raised 2%. Ultimately, this works out to be approximately \$96 per foot. In addition to the 2% raise, the 200' headwall should be addressed more clearly. Currently a seasonal occupies at least 60' and pays \$91.25 per foot (\$5,475 per season). This should be raised to \$96 per foot as is charged to the other slips in this marina. The Michigan Maritime Museum currently has a 10-year lease on slip 28 which 40' on the headwall. The remaining 100' should be named 27A and be charged \$96 per foot. Currently, there is only slip 27 which is charged \$5,475 for 60' and MMM which is charged for 40' at \$3,795. This leaves 100' under-utilized dock space.

BLACK RIVER PARK

The only change being recommended is that the dock inventory reflect that the total number of docks at Black River Park is 60 and not 62 as shown in the last year's resolution. When the docks were rebuilt and reconfigured, #61 and #62 were eliminated. This change should reflect that we have twenty (20) 24' docks and forty (40) 30' docks. Also, no other changes in price for the park are recommended at this time.

Transient Rates

As in past years, the transient slip fees are established by the Michigan Waterways Commission Transient Rates. Staff recommends that for the North Side Marina, South Side Marina, and Museum Marina, the current year rates as approved by the Commission under Column D. For the transient slips at Black River Park, staff recommends the current rates as approved by the Waterways Commission under Column C.

Staff strongly recommends that the rates be determined by the length of the dock and not by the length of the boat. The reason for this recommendation is due the fact that the DNR has changed their prices from the size of the boat to the size of the dock and back again in the space of two years. Both years, the rates were changed in the middle of the season. This frustrates and confuses boaters, marina personnel, and our auditors. For simplicity and continuity, staff highly recommends that the rates be applied by the size of the slip rather than the size of the boat.

Finally, staff recommends that the Friday and Saturday overnight fees be changed to June 15 to September 1 and be increased by 20%. By waiting until July 1 for these fees to be charged, the marinas are missing out on a several days where premium dockage is being lost. Also, the 10% from last year reflects the high demand that continues for weekend dockage.

Recommendation:

Staff proposes that Harbor Commission recommend approval of the resolution setting the seasonal and transient slip rates for the South Haven Municipal Marinas to the City Council.

Support Material:

DRAFT Resolution
Marina Manager's Memo

CITY OF SOUTH HAVEN
 VAN BUREN AND ALLEGAN COUNTIES, MICHIGAN

RESOLUTION NO. 2016-xx

A RESOLUTION SETTING THE SEASONAL AND TRANSIENT
 SLIP RATES AT SOUTH HAVEN MUNICIPAL MARINAS

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 _____ at 7:00 p.m. local time.

PRESENT: _____

ABSENT: _____

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

WHEREAS, the Michigan State Waterways Commission establishes recommended fees for both transient and seasonal moorings for state governing Municipal Marinas; and

WHEREAS, the local units of government must maintain rate structures at or above for transient and seasonal rates in compliance with terms and conditions of previously executed grant-in-aid contracts for state grant assistance in facility development; and

WHEREAS, the Harbor Commission has reviewed and recommends the following rates; and

WHEREAS, the City Council concurs with the recommendations as forwarded to the Council by the Harbor Commission.

BE IT FURTHER RESOLVED, that this resolution shall take effect upon passage by the City Council.

NOW, THEREFORE, BE IT RESOLVED that the South Haven Municipal Marina and Boat Launch Rates for 2017 be set as follows:

Seasonal Dock Rates

The following seasonal dock rates will be in effect at the City operated facilities:

<u>Slip #'s</u>	<u>Slip Size in Ft.</u>	<u>Amount</u>
Northside Marina		
40.5	20	\$1,540
41-52, 65-68	30	\$2,980
57 thru 64	35	\$3,470
88-96	38	\$3,800
1 thru 10	40	\$4,030
53-56	45	\$4,480
11-40, 83-87	50	\$5,030
69 thru 82	60	\$5,910

Maritime Marina

1-26, 28, 29, 30	40	\$3,870
27	60	\$5,760
27a	100	\$96 per foot

Black River Park

1 thru 20	24	\$1,690
21 thru 62	30	\$1,910

Boats greater than the rate assigned will be charged per additional foot \$150

Reservation Fee \$8.00
Cancellation Fee (for reservations) \$10.00

Black River Park Seasonal Launch Pass \$100
Age 65 and over Seasonal Launch Pass \$75
Black River Park 10 Launch Tokens \$50
Black River Park Daily Launch \$7

The following discounts may be applied to seasonal boater fees, subject to approval of the marina manager:

1. A first year discount of \$500 may be offered to new seasonal boaters.
2. Shallow draft slips or unused slips may be rented for use of dinghies and small boats at \$1,000 per dinghy/boat per season.
3. After August 1, seasonal slips may be rented at a discount for an amount equal to the seasonal slip fee prorated by the number of remaining days in the season plus 50% of that amount, using the following formula:

$$(\text{Remaining Days in Season}) / (\text{Days in Season}) * \text{Seasonal Slip Fee} * 1.5 = \text{Discounted Rate}$$

4. If, after the deadline for payment for the season, there appears to be a lack of boats to fill longer slips, the marina manager may rent slips to shorter boats at a rate equal to the boat length plus one half the difference of the slip length and boat length.
5. The marina manager may request in writing from the city manager special rates to improve occupancy. The marina manager may apply those rates after receiving written approval from the city manager.

Transient Slip Fees

Transient slip fees at the North Side Marina, South Side Marina and Museum Marina are the current year rates approved by the Michigan State Waterways Commission, Column D, and determined by the length of slip.

Transient slip fees at the Black River Park Marina are the current year rates approved by the Michigan State Waterways Commission, Column C, and determined by the length of slip.

During the period from July 1 to September 1, transient slip fees are increased by 20% for Friday and Saturday overnights.

Transient Discount Rates

The following discounts may be applied to transient boater fees, subject to approval of the marina manager:

- a. Pre-Memorial Day and Post-Labor Day Special, stay 4 nights get 3 nights free.
- b. After July 15, a Remainder of Season discount will be made available. A seasonal slip may be rented for the remainder of the season, with the fee calculated as the number of days remaining until October 15 times the minimum Waterways Transient rate (column 1) for the length of boat.

Short Term Docking

The marina manager is authorized to allow short term dockage of vessels for a period of less than eight hours when dock area is available. The short term dockage rate is \$0.50 per foot.

Marina and Boat Launch Facility Commercial Use

Commercial use of marinas and Black River Park Boat Launch is subject to the City of South Haven Marina and Boat Launch Facility Commercial Use Policy, as approved by South Haven City Council.

BE IT FURTHER RESOLVED, that this resolution shall take effect upon passage by the City Council.

RECORD OF VOTE:

Yeas: _____

Nays: _____

RESOLUTION DECLARED ADOPTED.

Robert 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 _____, 2016, 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.*).

Travis Sullivan, City Clerk

DRAFT

**EXHIBIT A
MICHIGAN WATERWAYS COMMISSION RATES**

DRAFT

Michigan State Harbors
2016 Transient Rates

Michigan State Waterways Commission

www.michigan.gov/dnr

Slip Length	A	B	C (standard)	D	E	F
25	\$19	\$22	\$30	\$32	\$40	\$51
26	\$20	\$23	\$31	\$34	\$42	\$53
27	\$20	\$24	\$33	\$35	\$43	\$55
28	\$21	\$25	\$34	\$36	\$45	\$57
29	\$22	\$26	\$35	\$37	\$46	\$59
30	\$23	\$26	\$37	\$39	\$48	\$62
31	\$23	\$27	\$38	\$41	\$50	\$64
32	\$24	\$28	\$40	\$42	\$51	\$66
33	\$25	\$29	\$41	\$43	\$53	\$68
34	\$26	\$30	\$42	\$45	\$54	\$70
35	\$26	\$31	\$43	\$46	\$56	\$72
36	\$27	\$32	\$45	\$50	\$58	\$74
37	\$28	\$33	\$46	\$51	\$59	\$76
38	\$29	\$33	\$47	\$52	\$61	\$78
39	\$29	\$34	\$51	\$58	\$62	\$80
40	\$30	\$35	\$53	\$59	\$64	\$82
41	\$31	\$36	\$54	\$61	\$66	\$84
42	\$32	\$37	\$55	\$62	\$67	\$86
43	\$32	\$38	\$57	\$64	\$69	\$88
44	\$33	\$39	\$58	\$65	\$70	\$90
45	\$34	\$40	\$60	\$67	\$72	\$92
46	\$35	\$40	\$63	\$68	\$74	\$94
47	\$35	\$41	\$64	\$70	\$75	\$96
48	\$36	\$42	\$65	\$71	\$77	\$98
49	\$37	\$43	\$67	\$73	\$78	\$100
50	\$38	\$44	\$68	\$74	\$80	\$103
51	\$38	\$45	\$69	\$75	\$82	\$105
52	\$39	\$46	\$71	\$77	\$83	\$107
53	\$40	\$47	\$72	\$78	\$85	\$109
54	\$41	\$48	\$73	\$80	\$86	\$111
55	\$41	\$48	\$75	\$81	\$88	\$113
56	\$42	\$49	\$76	\$83	\$90	\$115
57	\$43	\$50	\$78	\$84	\$91	\$117
58	\$44	\$51	\$79	\$86	\$93	\$119
59	\$44	\$52	\$80	\$87	\$94	\$121
60	\$46	\$53	\$82	\$89	\$96	\$123
61	\$47	\$54	\$83	\$90	\$98	\$125
62	\$48	\$55	\$84	\$92	\$99	\$127
63	\$49	\$55	\$86	\$93	\$101	\$129
64	\$49	\$56	\$87	\$95	\$102	\$131
65	\$50	\$57	\$88	\$96	\$104	\$133
66	\$51	\$58	\$90	\$98	\$106	\$135
67	\$52	\$59	\$91	\$99	\$107	\$137
68	\$52	\$60	\$92	\$101	\$109	\$139
69	\$53	\$61	\$94	\$102	\$110	\$141
70	\$54	\$62	\$95	\$104	\$112	\$144
71	\$55	\$62	\$97	\$105	\$114	\$146
72	\$55	\$63	\$98	\$107	\$115	\$148
73	\$56	\$64	\$99	\$108	\$117	\$150
74	\$57	\$65	\$101	\$110	\$118	\$152

Michigan State Harbors 2016 Seasonal Rates

Michigan State Waterways Commission

Slip Length	Rate 1	Rate 2	Rate 3	Rate 4	Rate 5	Rate 6	Rate 7	Rate 8	Rate 9	Rate 10
20	\$2,120	\$1,720	\$1,620	\$1,420	\$1,160	\$1,020	\$960	\$880	\$760	\$700
21	\$2,226	\$1,806	\$1,701	\$1,491	\$1,218	\$1,071	\$1,008	\$924	\$798	\$735
22	\$2,332	\$1,892	\$1,782	\$1,562	\$1,276	\$1,122	\$1,056	\$968	\$836	\$770
23	\$2,438	\$1,978	\$1,863	\$1,633	\$1,334	\$1,173	\$1,104	\$1,012	\$874	\$805
24	\$2,544	\$2,064	\$1,944	\$1,704	\$1,392	\$1,224	\$1,152	\$1,056	\$912	\$840
25	\$2,650	\$2,150	\$2,025	\$1,775	\$1,450	\$1,275	\$1,200	\$1,100	\$950	\$875
26	\$2,756	\$2,236	\$2,106	\$1,846	\$1,508	\$1,326	\$1,248	\$1,144	\$988	\$910
27	\$2,862	\$2,322	\$2,187	\$1,917	\$1,566	\$1,377	\$1,296	\$1,188	\$1,026	\$945
28	\$2,968	\$2,408	\$2,268	\$1,988	\$1,624	\$1,428	\$1,344	\$1,232	\$1,064	\$980
29	\$3,074	\$2,494	\$2,349	\$2,059	\$1,682	\$1,479	\$1,392	\$1,276	\$1,102	\$1,015
30	\$3,180	\$2,580	\$2,430	\$2,130	\$1,740	\$1,530	\$1,440	\$1,350	\$1,140	\$1,080
31	\$3,286	\$2,697	\$2,511	\$2,232	\$1,829	\$1,581	\$1,457	\$1,395	\$1,178	\$1,116
32	\$3,392	\$2,784	\$2,592	\$2,336	\$1,888	\$1,632	\$1,504	\$1,440	\$1,216	\$1,152
33	\$3,498	\$2,871	\$2,673	\$2,409	\$1,947	\$1,683	\$1,584	\$1,485	\$1,254	\$1,188
34	\$3,604	\$2,958	\$2,754	\$2,516	\$2,006	\$1,734	\$1,632	\$1,530	\$1,292	\$1,224
35	\$3,710	\$3,080	\$2,835	\$2,590	\$2,065	\$1,785	\$1,680	\$1,610	\$1,330	\$1,260
36	\$3,888	\$3,240	\$2,952	\$2,736	\$2,124	\$1,872	\$1,728	\$1,656	\$1,368	\$1,296
37	\$3,996	\$3,330	\$3,034	\$2,849	\$2,183	\$1,924	\$1,813	\$1,702	\$1,406	\$1,332
38	\$4,104	\$3,420	\$3,154	\$2,964	\$2,242	\$2,014	\$1,862	\$1,786	\$1,444	\$1,368
39	\$4,251	\$3,588	\$3,276	\$3,081	\$2,340	\$2,106	\$1,950	\$1,833	\$1,482	\$1,404
40	\$4,360	\$3,680	\$3,400	\$3,200	\$2,400	\$2,200	\$2,000	\$1,920	\$1,520	\$1,440
41	\$4,469	\$3,772	\$3,485	\$3,321	\$2,460	\$2,296	\$2,091	\$2,009	\$1,558	\$1,476
42	\$4,578	\$3,864	\$3,570	\$3,444	\$2,520	\$2,394	\$2,184	\$2,100	\$1,596	\$1,512
43	\$4,687	\$4,042	\$3,698	\$3,569	\$2,623	\$2,494	\$2,279	\$2,150	\$1,634	\$1,548
44	\$4,796	\$4,136	\$3,828	\$3,652	\$2,728	\$2,552	\$2,376	\$2,244	\$1,672	\$1,584
45	\$4,905	\$4,275	\$3,960	\$3,735	\$2,835	\$2,655	\$2,430	\$2,295	\$1,710	\$1,620
46	\$5,014	\$4,416	\$4,094	\$3,864	\$2,944	\$2,714	\$2,484	\$2,392	\$1,748	\$1,656
47	\$5,123	\$4,559	\$4,183	\$3,948	\$3,055	\$2,820	\$2,538	\$2,444	\$1,786	\$1,692
48	\$5,232	\$4,704	\$4,320	\$4,080	\$3,120	\$2,880	\$2,592	\$2,496	\$1,824	\$1,728
49	\$5,341	\$4,802	\$4,410	\$4,214	\$3,185	\$2,940	\$2,646	\$2,548	\$1,862	\$1,813
50	\$5,450	\$4,900	\$4,500	\$4,300	\$3,250	\$3,000	\$2,700	\$2,600	\$1,900	\$1,850
51	\$5,559	\$5,049	\$4,590	\$4,386	\$3,315	\$3,060	\$2,754	\$2,652	\$1,938	\$1,887
52	\$5,668	\$5,200	\$4,732	\$4,472	\$3,380	\$3,172	\$2,808	\$2,704	\$1,976	\$1,976
53	\$5,777	\$5,300	\$4,823	\$4,558	\$3,445	\$3,233	\$2,862	\$2,756	\$2,014	\$2,014
54	\$5,886	\$5,454	\$4,914	\$4,644	\$3,510	\$3,294	\$2,916	\$2,808	\$2,052	\$2,106
55	\$6,050	\$5,555	\$5,005	\$4,730	\$3,575	\$3,355	\$2,970	\$2,860	\$2,090	\$2,145
56	\$6,160	\$5,656	\$5,152	\$4,816	\$3,640	\$3,416	\$3,080	\$2,912	\$2,184	\$2,184
57	\$6,270	\$5,757	\$5,244	\$4,902	\$3,705	\$3,477	\$3,135	\$2,964	\$2,280	\$2,223
58	\$6,380	\$5,858	\$5,336	\$4,988	\$3,770	\$3,538	\$3,190	\$3,016	\$2,378	\$2,262
59	\$6,490	\$5,959	\$5,428	\$5,074	\$3,835	\$3,599	\$3,245	\$3,068	\$2,478	\$2,301
60	\$6,600	\$6,120	\$5,520	\$5,160	\$3,900	\$3,660	\$3,300	\$3,120	\$2,520	\$2,340
Over 60 ft	\$110 per ft	\$102 per ft	\$92 per ft	86 per ft	65 per ft	\$61	\$55 per ft	\$52 per ft	\$42 per ft	\$39 per ft

To: Kate Hosier
Harbormaster

From: John Marple

Re: 2017 Seasonal Rates – South Haven Municipal Marinas

You've asked me to place in memo form my rationale for recommending an increase in seasonal rates for the Municipal Marinas for 2017. Basically, my rationale is as follows:

1. Last year for the first time in a number of years the City increased the seasonal rates at the Municipal Marinas. I did not hear one complaint, other than the usual, concerning that rate increase from our boaters.
2. Despite that rate increase we are almost full at all of our seasonal facilities. Attached is the current availability of our seasonal docks for your review. There has been a significant increase in the number of seasonal boaters over the past four or five years. The market can bear an increase.
3. Forbes indicates a 3% increase in the cost of living for 2017.
4. As you requested I did a brief survey of seasonal dock prices in the area. I could not find much but there are a couple of interesting rates for your review:
 - a. **Black River Park:** Current rates for Black River Park are \$1,690 for a 24' slip and \$1,910 for a 30' slip. Currently we have five slips open. Rates for 30' slips at Woodland Harbor start at \$2,400 for a 30' slip and \$2,349 at Harbor Club. **Recommendation 2% increase - \$1,725 for 24's and \$1,950 for the 30's.**
 - b. **Maritime:** Current occupancy is 94%. I have already rented an additional slip for next year which would make us 100% filled if all come back. Current rate is \$3,795. Slips are 40' in length except #225 which is 54'. I believe the 54' slip should be the same price as our 60' slip at the Northside. **Recommendation - \$3,875.**
 - c. **Northside:** Current Occupancy is 94% (I do not count the surge docks at the west end of the Marina). One 45' is vacant and three 60'. In trying to find a comparable facility the closest I could find pricing for is West Basin in St. Joseph. 60' slips at that location in 2015 was \$6,350. The folks who have 30' slips at the Northside are getting a good deal. Top notch facilities, great location for a \$1,000 more than Black River seasonal boaters with their walk to the bathroom. Therefore, my recommendation for the Northside is as follows:

	2016	2017
i. 30'	\$2,890	\$3,040
ii. 35'	\$3,470	\$3,540
iii. 38' (Surge docks)	\$3,800	\$3,800
iv. 40'	\$4,030	\$4,110
v. 45'	\$4,480	\$4,570
vi. 50'	\$5,030	\$5,130
vii. 60'	\$5,910	\$6,030

Obviously, we could go higher but my recommendation is to raise the prices around 2% a year until such time as the market begins to soften. Please keep in mind you have a great set of facilities in a prime location.

Notes for your review:

Woodland Harbor

Sailboat Slips

Slips 1-11 off the Black River

\$2650

Up to 30' boat slips
dock length is under 30'

\$2400

33' & 35' boat slips
dock length is under 35'

\$2600

40' boat slips
dock length is under 40'

\$3030

45' boat slips
dock length is under 45'

\$3400

48' boat slips
dock length is under 48'

\$4200

River Noire

Slip 75...lowered finger pier & dock box...\$1300

Slip 73...lowered finger pier & dock box...\$1300

Slip 67...dock box...\$1300

Slip 54...\$1200

Slip 18...lowered finger pier...\$1300

Slip 17...\$1300

Slip 15...lowered finger pier...\$1300

Slip 90...north shore...lowered finger pier...\$1700

Slip 84...north shore...\$1700

Slip 80...north shore...lowered finger pier & dock box...\$1700

Pier 33 St. Joseph

2017 DOCK LOCATION & RATE SCHEDULE:

30' DOCK, SOUTH: ADVANCE RATE \$1,995.

Four equal payments of \$498.75. **Standard Rate \$2,395.**

35' DOCK, SOUTH: ADVANCE RATE \$2,695.

Four equal payments of \$673.75. **Standard Rate \$3,295.**

40' DOCK, SOUTH: ADVANCE RATE \$2,895.

Four equal payments of \$723.75. **Standard Rate \$3,595.**

45' DOCK, EAST: ADVANCE RATE \$3,295.

Four equal payments of \$823.75. **Standard Rate \$3,995.**

50' DOCK, EAST: ADVANCE RATE \$3,995.

Four equal payments of \$998.75. **Standard Rate \$4,895.**

West Basin – St. Joseph

Slip Size Current Rates 25 \$1,910 30 \$2,270 35 \$2,800 37 \$3,090 40 \$3,550 50 \$4,880 60 \$6,350



Agenda Item #8

Soha Surf Shop License Agreement Amendment

Background Information:

The Harbor Commission will be asked to consider a recommendation approving an extension of the license agreement with Soha Surf Shop, owned by Chris Campbell, dated January 4, 2016. The amendment would be a five-year extension permitting the rental operation to operate within Black River Park parking lot near the kayak launch.

The license agreement with Soha Surf Shop was approved by the City Council on January 4, 2016. Mr. Campbell requests that the agreement be extended for a period of five years. The license agreement with the City of South Haven allows the rental of kayaks, paddleboards, and the sale of paddle sport related merchandise (defined to mean T-shirts, flip flops, sunglasses, sunscreen).

This was the first year of a license agreement at this location. Mr. Campbell is allowed one parking space to park a storage trailer and adjoining space (30' by 10') to conduct sales. In addition to this requested amendment, Mr. Campbell, if allowed to stay at the location, would also like to place another similarly sized trailer in the adjacent parking space to expand kayak storage options.

The annual license fee is not due until November 15, 2016. The annual license fee is calculated as 5% of the gross annual revenue for all goods and services sold or rented by the Licensee at Black River Park. Mr. Campbell reports \$29,200.90 in rental sales at this location.

Recommendation:

Staff recommends that the Harbor Commission recommend to City Council to approve an amendment to the license agreement with Soha Surf Shop, owned by Chris Campbell, dated January 4, 2016.

Support Material:

2016 License Agreement with attachments
SoHa Surf Shop Support Letter

LICENSE AGREEMENT

This License Agreement is made as of _____, 2016, 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 Soha Surf Shop, LLC, a Michigan corporation, the principal business address of which is 518 Phoenix Street, South Haven, MI 49090 (the “Licensee”).

RECITALS

A. The City owns the property located on the Black River commonly referred to as Black River Park (“Black River Park”).

B. The Licensee wishes to operate a kayak rental business on Black River Park during the summer months that would rent kayaks, canoes, paddleboards to the public and sell sport related merchandise.

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 licenses to the Licensee those portions of Black River Park designated on the attached **Exhibit A** (the “Licensed Property”) for its use in operating a kayak rental business, subject to the terms and conditions of this Agreement and for no other purpose or use.
 - (a) This license is granted on an “AS IS” basis. The City makes no representations or warranties about the condition of the Licensed Property or its fitness for any purpose or use, and shall have no duty to maintain, repair, replace or improve any portion of such areas.
 - (b) Except as otherwise provided by this Agreement, no changes may be made to the Licensed Property and no permanent additions may be added to the Licensed Property without the City’s prior written consent which the City may for any reason decline. At the expiration of this Agreement, or any renewal thereof, the Licensee shall return the Licensed Property to the condition it was in prior to the effective date of this Agreement. Any costs incurred by the City in the restoration of the Licensed Property to its pre-Agreement condition shall be charged to the Licensee.
2. Term. Unless terminated earlier pursuant to this Agreement, the term of the license shall commence at 7:00 a.m. on May 1, 2016, and expire at 8:00 p.m. on October 31, 2021. Lessee’s obligations under Section 3 shall survive the expiration of the license or any subsequent renewal of the license. The license and this Agreement are subject to annual renewal by mutual agreement of the parties on the same terms and conditions.
3. License Fee. The Licensee shall pay to the City an annual license fee on November 15 of each year that this Agreement is in effect, based upon the gross annual revenue derived from the Licensee’s operation of the kayak rental business on Black River Park. For purposes of this Agreement, “gross annual revenue” shall mean a portion of total revenue, including cash, check, credit card receipt or debit card receipt, paid on an annual basis to the Licensee for all goods and services sold or rented by the Licensee on Black River Park. The License Fee shall be 5% of the gross annual revenue derived from operation of the kayak rental business on Black River Park. The Licensee shall submit a report

showing gross annual revenue to the City at the same it submits payment of the License Fee, and the report shall be subject to audit by the City.

4. Property Rights. This Agreement only grants a license to use the Licensed Property. This Agreement does not grant or convey to the Licensee any rights, title, or interest in the Licensed Property. The City retains all property rights in the Licensed Property.
5. Requirements of Licensee. This license is subject to the following terms and conditions:
 - (a) The Licensee's kayak rental business shall consist only of selling paddle sport related merchandise (defined to mean T-shirts, flip flops, sunglasses, sunscreen, and other items, including non-alcoholic drink and food items, acceptable to the City) and renting kayaks, paddleboards and canoes to the public for a fee. Prior to renting a kayak, canoe or paddleboard, the Licensee shall make reasonable efforts to ensure that each customer is capable of operating a kayak, canoe or paddleboard in a safe and suitable manner. These efforts shall include providing basic safety training and verifying that each renter is of a suitable age and physical condition to operate a kayak, canoe or paddleboard.
 - (b) The Licensee shall instruct its customers to operate the kayaks, canoes and paddleboards in way that does not interfere with motorized vessel traffic. The Licensee shall be responsible for ensuring compliance with this requirement.
 - (c) The Licensee shall use reasonable judgment in determining whether to rent kayaks or paddleboards when it is apparent that weather or water conditions, including but not limited to wind conditions, undertows, frigid water, or rip currents make the use of such watercraft dangerous or unsuitable. The Licensee shall be solely responsible for warning customers of the dangers of hypothermia.
 - (d) The Licensee shall use reasonable judgment in setting rules regarding the use of life vests or other safety devices in conjunction with kayak, canoe and paddleboard rentals.
 - (e) The Licensee may park a trailer in the Licensed Area, in accordance with plans and specifications approved in writing by the City. The Licensee shall be responsible for outfitting the trailer with any equipment or utilities necessary for the operation of the kayak rental business. At the conclusion of each rental season, Licensee shall remove the trailer from the park. The Licensee may place a sandwich board sign along the roadway in Black River Park.
 - (f) The Licensee shall ensure that its operation of the kayak rental and the use and operation of kayaks, canoes and paddleboards on the Black River and Lake Michigan comply at all times with applicable local, state and federal laws, regulations, ordinances, orders, permits, and licenses.
 - (g) The Licensee may operate its business on the Licensed Property from 9:00 a.m. to 7:00 p.m., seven days per week, during the term of this Agreement.
 - (h) The Licensee shall make no representations to any person or entity as to any affiliation with, endorsement by, or sponsorship with the City. At no time during the term of this Agreement is the Licensee to be considered affiliated with the City. The City's logo shall not be used at any time for any purpose by the Licensee. On its rental agreement with customers, the Licensee shall conspicuously display a notice disclaiming any affiliation with the City. The notice shall read:

THE RENTAL OF KAYAKS AND PADDLEBOARDS IS OPERATED EXCLUSIVELY BY SOHA SURF SHOP, LLC. THE CITY OF SOUTH HAVEN HAS NO ROLE IN THIS OPERATION.

6. Loss Payment (Indemnification). The Licensee shall hold the City (defined for purposes of this paragraph to include the City's officers and employees) harmless from, defend it against (with legal counsel reasonably acceptable to the City), and pay for any loss paid or owed by the City arising from the Licensee's operation of the kayak rental business or use of the Licensed Property. "Loss" means a monetary amount paid or owed for any reason, including for example: judgments, settlements, fines, replacement costs, staff compensation, decreases in property value, and expenses incurred in defending a legal claim.
7. 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. 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.
8. 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.
9. Termination. The license granted pursuant to this Agreement is terminable at the will of either the City Council or the Licensee. The City Manager may, upon a reasonable belief that a breach of this Agreement has occurred suspend the license granted by this Agreement, effective immediately. In case of suspension, 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 be considered so that the Licensee may address the City Council. Upon the termination of this Agreement, the Licensee shall, unless the City otherwise consents by resolution of the City Council, without cost to the City, remove any temporary structure and restore the Licensed Property to the condition it was in prior to the date of this Agreement.
10. Breach. To the extent not prohibited by law, the prevailing party in any action brought to pursue or to enforce any provision of this Agreement shall, in addition to any other remedies, be entitled to recover its actual costs, including, without limitation, its actual reasonable attorney fees, filing fees, expert fees and other expenses incurred to bring, maintain or defend any such action from its first accrual or first notice thereof through any appellate and collection proceedings. A party is a prevailing party if it improves its position from any offer made by the other party prior to filing the lawsuit. This provision shall not alter or affect any remedies under applicable court rules governing sanctions for rejected offers of judgment or case evaluation awards.
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.

(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 License Agreement as of the date first above written.

CITY OF SOUTH HAVEN

SOHA SURF SHOP, LLC

By: _____
Robert Burr
Its: Mayor

By: _____

Its: _____

By: _____
Travis Sullivan
Its: Clerk

Date Signed: _____, 2016

Date Signed: _____, 2016

EXHIBIT A
LICENSED PROPERTY

Hi Brian and Kate,

Our black river rental location did well after advertising. We would like to look at a 5 year lease, and add a second smaller trailer. This year we have done \$29,200.90 in total rentals to date. We think over time this can increase, as we are learning from using billboards to help drive more rentals. The second trailer would help with storing more kayaks, and we would like to use longer kayaks, and maybe canoes in the future at this location.

I look forward from hearing from you.

--

Thanks,

Chris Campbell
Soha Surf Shop
518 Phoenix st.
South Haven, MI 49090
269-872-3044

LICENSE AGREEMENT

This License Agreement is made as of 01/04, 2016, 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 Soha Surf Shop, LLC, a Michigan corporation, the principal business address of which is 518 Phoenix Street, South Haven, MI 49090 (the "Licensee").

RECITALS

A. The City owns the property located on the Black River commonly referred to as Black River Park ("Black River Park").

B. The Licensee wishes to operate a kayak rental business on Black River Park during the summer months that would rent kayaks, canoes, paddleboards to the public and sell sport related merchandise.

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 licenses to the Licensee those portions of Black River Park designated on the attached **Exhibit A** (the "Licensed Property") for its use in operating a kayak rental business, subject to the terms and conditions of this Agreement and for no other purpose or use.
 - (a) This license is granted on an "AS IS" basis. The City makes no representations or warranties about the condition of the Licensed Property or its fitness for any purpose or use, and shall have no duty to maintain, repair, replace or improve any portion of such areas.
 - (b) Except as otherwise provided by this Agreement, no changes may be made to the Licensed Property and no permanent additions may be added to the Licensed Property without the City's prior written consent which the City may for any reason decline. At the expiration of this Agreement, or any renewal thereof, the Licensee shall return the Licensed Property to the condition it was in prior to the effective date of this Agreement. Any costs incurred by the City in the restoration of the Licensed Property to its pre-Agreement condition shall be charged to the Licensee.
2. Term. Unless terminated earlier pursuant to this Agreement, the term of the license shall commence at 7:00 a.m. on May 1, 2016, and expire at 8:00 p.m. on October 31, 2016. Lessee's obligations under Section 3 shall survive the expiration of the license or any subsequent renewal of the license. The license and this Agreement are subject to annual renewal by mutual agreement of the parties on the same terms and conditions.
3. License Fee. The Licensee shall pay to the City an annual license fee on November 15 of each year that this Agreement is in effect, based upon the gross annual revenue derived from the Licensee's operation of the kayak rental business on Black River Park. For purposes of this Agreement, "gross annual revenue" shall mean a portion of total revenue, including cash, check, credit card receipt or debit card receipt, paid on an annual basis to the Licensee for all goods and services sold or rented by the Licensee on Black River Park. The License Fee shall be 5% of the gross annual revenue derived from operation of the kayak rental business on Black River Park. The Licensee shall submit a report

showing gross annual revenue to the City at the same it submits payment of the License Fee, and the report shall be subject to audit by the City.

4. Property Rights. This Agreement only grants a license to use the Licensed Property. This Agreement does not grant or convey to the Licensee any rights, title, or interest in the Licensed Property. The City retains all property rights in the Licensed Property.
5. Requirements of Licensee. This license is subject to the following terms and conditions:
 - (a) The Licensee's kayak rental business shall consist only of selling paddle sport related merchandise (defined to mean T-shirts, flip flops, sunglasses, sunscreen, and other items, including non-alcoholic drink and food items, acceptable to the City) and renting kayaks, paddleboards and canoes to the public for a fee. Prior to renting a kayak, canoe or paddleboard, the Licensee shall make reasonable efforts to ensure that each customer is capable of operating a kayak, canoe or paddleboard in a safe and suitable manner. These efforts shall include providing basic safety training and verifying that each renter is of a suitable age and physical condition to operate a kayak, canoe or paddleboard.
 - (b) The Licensee shall instruct its customers to operate the kayaks, canoes and paddleboards in way that does not interfere with motorized vessel traffic. The Licensee shall be responsible for ensuring compliance with this requirement.
 - (c) The Licensee shall use reasonable judgment in determining whether to rent kayaks or paddleboards when it is apparent that weather or water conditions, including but not limited to wind conditions, undertows, frigid water, or rip currents make the use of such watercraft dangerous or unsuitable. The Licensee shall be solely responsible for warning customers of the dangers of hypothermia.
 - (d) The Licensee shall use reasonable judgment in setting rules regarding the use of life vests or other safety devices in conjunction with kayak, canoe and paddleboard rentals.
 - (e) The Licensee may park a trailer in the Licensed Area, in accordance with plans and specifications approved in writing by the City. The Licensee shall be responsible for outfitting the trailer with any equipment or utilities necessary for the operation of the kayak rental business. The Licensee may place a sandwich board sign along the roadway in Black River Park.
 - (f) The Licensee shall ensure that its operation of the kayak rental and the use and operation of kayaks, canoes and paddleboards on the Black River and Lake Michigan comply at all times with applicable local, state and federal laws, regulations, ordinances, orders, permits, and licenses.
 - (g) The Licensee may operate its business on the Licensed Property from 9:00 a.m. to 7:00 p.m., seven days per week, during the term of this Agreement.
 - (h) The Licensee shall make no representations to any person or entity as to any affiliation with, endorsement by, or sponsorship with the City. At no time during the term of this Agreement is the Licensee to be considered affiliated with the City. The City's logo shall not be used at any time for any purpose by the Licensee. On its rental agreement with customers, the Licensee shall conspicuously display a notice disclaiming any affiliation with the City. The notice shall read:

THE RENTAL OF KAYAKS AND PADDLEBOARDS IS OPERATED
EXCLUSIVELY BY SOHA SURF SHOP, LLC. THE CITY OF SOUTH
HAVEN HAS NO ROLE IN THIS OPERATION.

6. Loss Payment (Indemnification). The Licensee shall hold the City (defined for purposes of this paragraph to include the City's officers and employees) harmless from, defend it against (with legal counsel reasonably acceptable to the City), and pay for any loss paid or owed by the City arising from the Licensee's operation of the kayak rental business or use of the Licensed Property. "Loss" means a monetary amount paid or owed for any reason, including for example: judgments, settlements, fines, replacement costs, staff compensation, decreases in property value, and expenses incurred in defending a legal claim.
7. 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. 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.
8. 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.
9. Termination. The license granted pursuant to this Agreement is terminable at the will of either the City Council or the Licensee. The City Manager may, upon a reasonable belief that a breach of this Agreement has occurred suspend the license granted by this Agreement, effective immediately. In case of suspension, 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 be considered so that the Licensee may address the City Council. Upon the termination of this Agreement, the Licensee shall, unless the City otherwise consents by resolution of the City Council, without cost to the City, remove any temporary structure and restore the Licensed Property to the condition it was in prior to the date of this Agreement.
10. Breach. To the extent not prohibited by law, the prevailing party in any action brought to pursuant to or to enforce any provision of this Agreement shall, in addition to any other remedies, be entitled to recover its actual costs, including, without limitation, its actual reasonable attorney fees, filing fees, expert fees and other expenses incurred to bring, maintain or defend any such action from its first accrual or first notice thereof through any appellate and collection proceedings. A party is a prevailing party if it improves its position from any offer made by the other party prior to filing the lawsuit. This provision shall not alter or affect any remedies under applicable court rules governing sanctions for rejected offers of judgment or case evaluation awards.

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.

(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 License Agreement as of the date first above written.

CITY OF SOUTH HAVEN

SOHA SURF SHOP, LLC

By: Robert Burr
Robert Burr
Its: Mayor

By: Chris Campbell
Its: Owner

By: Amanda Morgan
Amanda Morgan
Its: Clerk

Date Signed: 2/24, 2016

Date Signed: 01/06, 2016

EXHIBIT A
LICENSED PROPERTY

