Harbor Commission

Regular Meeting Agenda

Tuesday, March 20, 2012
5:30 p.m., City Hall Council Chambers

City of South Haven

1. Call to Order

Roll Call: Chairman Jeff Arnold, Vice-Chairman Mary Stephens, Fred Jeffers, Cathy Pyle, Alan Silverman, Daniel Strong, Greg Sullivan.

2. Approval of Agenda

3. Approval of Minutes: February 21, 2012 Regular Meeting

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

5. Financial Report

6. Floating Dock Request, South Side Marina

7. Strategic Plan

<u>Member and Staff Comments</u>

Adjourn

RESPECTFULLY SUBMITTED,
Paul VandenBosch
Harbormaster

Harbor Commission

Regular Meeting Minutes

Tuesday, February 21, 2012
5:30 p.m., City Hall Council Chambers

City of South Haven

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

Present: Arnold, Pyle, Strong, Sullivan, Stephens
Absent: Silverman, Jeffers

Also present: VandenBosch, Staff; Abshire, Marina Manager

2. Approval of Agenda

Motion by Sullivan, second by Arnold to approve the agenda as submitted. All in favor. Motion carried.

3. Approval of Minutes: January 17, 2012 Regular Meeting

Motion by Arnold, second by Strong to approve the January 17, 2012 minutes as written. All in favor. Motion carried.

4. Election of Officers

Motion by Strong, second by Sullivan to nominate Jeff Arnold for chair.

Motion by Sullivan to nominate Stephens for chair. Stephens respectfully declined due to other commitments.

Motion by Sullivan to nominate Stephens for co-chair.

Stephens called for a vote to elect Arnold as chair. All in favor. Motion carried.

Arnold was seated as chair.

Arnold called for a vote to elect Stephens as co-chair. All in favor. Motion carried.

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

There were none.

6. Financial Report

VandenBosch gave an overview with highlights of the Financial Report.

Page 9. Marina Fund Revenue. VandenBosch noted that Seasonal Marina Revenue is down 10 to 11 percent and Transient Marina Revenue is down approximately 4 percent.

Stephens asked what marketing is being done to reverse the downward spiral in revenue. VandenBosch noted that this board has helped to implement several marketing strategies such as welcome bags for seasonal boaters, website, and postcards to thank people who pay their deposit. Abshire noted the customer service surveys which were done. Stephens asked whether the boat shows panned out. VandenBosch commented that it is difficult to know whether it is the economy or demographics that are driving loss of revenue.

Stephens asked if anyone has any suggestions for marketing. Pyle noted that Pyle's Porthole has been marketing towards the eastern side of the state. Pyle pointed out that the cost of travel and staying in hotels may scare off some fisherman. Pyle feels that advertising in fishing magazines such as *Outdoor News* has brought their business success. Pyle noticed that fishing is what started the interest in South Haven years ago, but fishing is not pushed in marketing the City as much as sailboats and motoring. Pyle pointed out that more fishing piers are being built along the river, but is not sure how that can be marketed.

Stephens asked if the City advertises anywhere. VandenBosch noted that occasionally articles are written about South Haven and press releases for special events are sent out by Deb Davidson, Downtown Development Director. Stephens said there could be a press release about the new reservation system. VandenBosch concurred that anything that brings attention to South Haven is positive. Pyle noted the Kal-Haven Trail should be marketed to boaters; many of them bring their bicycles as a way to get around the City; it will be open all the way to Kalamazoo this year.

VandenBosch thanked the Commissioners for the suggestions and resumed reviewing the Financial Reports.

Page 10. Marina Fund – Fund 594. VandenBosch pointed out the Cash & Investments Balance which is the source of funding for the North Side Marina to match the State grant amount.

Page 11. Marina Fund Revenue. VandenBosch pointed out the Expense Category column and noted that in answer to a question at the last Harbor meeting there is a breakdown of Other Services and Charges, which he explained is a way of keeping track of such things as postage, travel for training, printing and publishing, building authority lease, subscriptions and

memberships and boater referral bonuses. Stephens thanked VandenBosch for the breakdown information.

Stephens asked about “Seasonal Dock Rental – Charge for Services” which Sullivan noted is not an expense but is revenue.

Page 12. Black River Park Revenues. VandenBosch stated that Black River Park 2012 revenue is roughly the same as 2011 short a few hundred dollars. Seasonal Dock Revenue was down quite a bit. Strong said it looks like people are just paying for weekends instead of paying for the season. Abshire commented that seasonals are down overall; the lowest she has ever seen.

Page 13. Black River Park Fund – Fund 545. VandenBosch noted that this is the Financial Statement for Black River Park and pointed out the Cash & Investments Balance.

Page 14. Black River Park, Breakdown of Revenue Expense Categories.

Sullivan asked whether the Cash and Investment category rolls over at the end of the year. VandenBosch said that does stay with the Marina and is for maintenance and repair and capital expenses. Pyle asked if the gate is coming out of that fund to which VandenBosch said yes.

7. Marina Discounts

Page 16. 2012 Marina Discounts. VandenBosch noted there is an error in the chart; update Item 1 to stay 4 nights, get 3 nights free. Abshire noted that discount is mostly used for the Steelheaders early in the season.

Item 2. VandenBosch noted that there is a change from the stated policy when boaters use the State Reservation System. Boats from 31’ to 35’ can only go into a 40’ slip. The State Reservation System charges by the boat length rather than the slip length. Stephens asked if the State Reservation System will only be used on the South Side Marina. VandenBosch said that is correct. Stephens asked if there will be two different standards on applying the discount in Item 2. Stephens asked how that would work. VandenBosch gave an example to explain the difference in the State Reservation System versus the method currently in use. VandenBosch noted that 75% of South Side slips are in the State Reservation System; the rest will be available for transients or our own reservation system.

VandenBosch pointed out that every transaction will go through the computer system; this is a big change and the Commission should get fairly detailed reports. VandenBosch noted that the Queen’s Cup, the Trip Cup and Rendezvous that are already planning to come have already been blocked out on the calendar.

VandenBosch noted that the final discount should be called Remainder of Season Discount instead of Seasonal Discounts. This is a new way of calculating the remainder of season (after August 15) discount. VandenBosch explained that with our grant agreements we are required to

follow the Waterways rates (rates have to be within a range determined by the State Waterways Commission).

Abshire said that a date for a partial seasonal effective date needs to be decided or the marinas will lose revenue. Abshire said that using the proposed formula will make us lose boaters. Using the Transient rate will not convince people to stay.

VandenBosch distributed a handout with a calculation using a 40' boat as an example to show what the difference is between using the historic formula or the proposed Remainder of Season formula. Using 183 days in the boating season and a date of August 15 for a request of a Remainder of Season rate, the 2011 Remainder of Season Formula breaks down to a cost of $21.58 daily. The same scenario using the Proposed 2012 Remainder of Season Formula calculates out to $26 per day. For the time period calculated, there is a $270 difference in the rate that would be charged. VandenBosch said he wants to have the rates and discounts clearly defined as the State does do audits; Traverse City was audited and when VandenBosch tried to find out why it seemed that the audit was complaint based.

Page 17. 2012 Transient Rate Schedule for Michigan State Waterways Sponsored Facilities. VandenBosch said there is a big jump between column three and four and he feels three is too low and four is too high for the City to charge. The State did allow us to use a rate between three and four. Stephens said State Waterways has a lot of control over our revenue since they set our rates. Stephens asked if VandenBosch will be going to the meeting on Friday. VandenBosch said he looked at the agenda and there's nothing on it so he does not plan to go. VandenBosch also noted that he normally plans to attend until he gets a better feel for the way the board operates.

VandenBosch will clean up the documents and submit it to City Council. Abshire asked whether the boaters who book a reservation through the State Reservation System will be able to use that Pre-Memorial Day and Post Labor Day Special. Strong asked whether the State has anything in their system for pre-season and post-season. VandenBosch clarified that our season, from April 15 to October 15 is the City's season. VandenBosch noted that once Council approves the discounts, it will be sent to Waterways for review. Abshire said we need to either get that discount in the State program or eliminate it; rates have to be consistent. The Board and Abshire discussed the various discounts and whether to keep the proposed discounts. Strong said the Steelheaders send out a yearly letter and could easily add a line saying if you plan to come, reserve through the City to get the better rate. Abshire said she is most concerned about the Steelheaders so if that line can be added into the annual letters it should take care of that problem.

Jeffers asked whether a motion is needed for City Council. VandenBosch said a recommendation would probably be appreciated by Council.

Motion by Stephens, second by Strong to recommend the 2012 Marina Discounts to City Council. All in favor. Motion carried.

8. Strategic Plan

VandenBosch noted that he has included some suggestions for doing a Strategic Plan. VandenBosch asked how much time the board wants to spend and what kind of process does the board want to use. VandenBosch suggested the board could use staff recommendations or could go through last year's Strategic Plan and cross off what has been completed. Maybe some new goals could be added.

Stephens said she would like to see the Board at least go through the Staff Recommendations on page twenty because these things need some progress. Pyle asked if Strategic Planning could be a workshop. VandenBosch said next month the budget will be on the agenda and it usually goes fairly quickly. VandenBosch pointed out that the two items can be done at one meeting or at separate meetings. Sullivan noted that this time we have something to start with, where last time we did not have a document in front of us.

VandenBosch suggested going through the Goals and Objectives tonight.

A. Safety and Navigation

1. Dredging Needs Keep all.

2. Electrical Utilities Pyle asked if a stronger word than "encourage" can be used. VandenBosch stated that the board does not have that kind of authority. Strong explained that marinas are private, just like your home. VandenBosch noted that the City did its own testing and will continue to do so.

3. Fueling of Marine Vessels VandenBosch stated that education never ends; both education components will be kept. String said the remaining three action steps have been pretty much taken care of and VandenBosch agreed.

4. Emergency Services VandenBosch noted that the middle goal, procuring and maintaining and oil absorbent boom has been completed. The annual meeting with the Sheriff Marine Patrol, Coast Guard, Coast Guard Auxiliary, South Haven Police Department and South Haven Emergency Services is a part of the Board's procedures. There has been no action on replacing the fire boat.

5. Erosion and Contaminants VandenBosch noted that the Van Buren Conservation District and Black River group have been contacted. E-coli testing is underway and the City is working on identifying sources

6. Harbor Traffic Flow and Safety VandenBosch noted that not much other than pulling out logs was accomplished. VandenBosch remarked that the group looked at Black River Park with the idea of moving the boat launch but there was not a lot of interest in the design. Sullivan asked if we would keep these in the Strategic Plan. VandenBosch said "new location for the existing boat launch" could be scratched because neither plan contemplated seemed feasible.

7. Public Access Keep all.

8. Signage VandenBosch stated that signs definitely need to be evaluated at and upgraded; will need to add dollars in the budget for signage.

B. Municipal Marina Facilities

1. Municipal Marina Facilities Promote quality facilities Keep all.

VandenBosch noted that there is a grant in the works to clean out and trim Celery Pond Creek. The City is moving forward with the Northside Marina.

C. Infrastructure

1. Develop a Capital Improvement Plan Review the plan, identify projects, and prepare a budget and timeline for such improvements each year. Review

2. Dinghy Docks and Paddle Craft Facilities Some have been installed, but VandenBosch noted that more could be done. Clean out and trim Celery Pond creek – there is a grant in the works to do some of this work. A dinghy dock could be added at the Museum. VandenBosch noted that we do have a launch now, but is not sure it would use the dinghy docks.

3. HarborWalk

VandenBosch said most of the items are still valid goals and objectives. The Williams Street portion of the HarborWalk has been reconstructed.

4. Green Space/Views Keep

5. Former Street Garage A grant application has been submitted and denied but will be resubmitted to add a sea wall extension and dinghy dock, encouraging natural sea walls.

D. Planning

1. Future Development and Impact on Safe Navigation VandenBosch noted that the expense for a detailed Harbor study is prohibitive. Stephens suggested using interns which VandenBosch pointed out would need supervision.

VandenBosch noted that a comprehensive professional study should be delayed due to unusual economic conditions and pointed out that with those conditions, more slips and services are not needed.

2. Development Approval Role VandenBosch said the City has been in discussion with property owners and conservancy to create a habitat preserve in the wetland.

3. Natural Environment Preservation Keep. VandenBosch pointed out that condominium marinas may have a harder time achieving Clean Marina Status.

4. Effects of Development and Loss of Marine Services Annual discussion item.

E, Funding

1. Ongoing Dredging Project Funding VandenBosch noted the need for additional funding for dredging and identified some sources. Keep.

2. Capital Improvement Plan Review annually.

3. Harbor Budget Policies Keep

F. Marketing and Communication

1. Emergency Communication Annual meeting.

2. Marina Management More communication with transient and seasonal boaters. Work on getting more signage. More staff training. Develop a written marketing plan. Annual meetings at marinas and with seasonal boaters can be scheduled to gather feedback on concerns, needs and wants, if Commission desires.

3. River Stakeholders Not clear what should be communicated but lines of communication are good.

4. Survey and Feedback Procedures Keep annual surveys. Develop list of boaters.

VandenBosch asked if the board can come back on March 20th at an earlier time and what time works for the board. It was decided to schedule a workshop at 4:30 p.m. on March 20, 2012 and the regular meeting will follow. VandenBosch noted that staff definitely wants the Commission's comments.

Member and Staff Comments

VandenBosch: Northside Marina project is currently being reviewed by the State and in two to three weeks, mid to late March, the City hopes to have the project out for bid. We are on track to start in October 2012.

Pyle: Asked when boat ramps are going in. After discussion Strong asked if just one would be put in and could be removed more easily in case of ice. VandenBosch will ask Public Works what their expectations are regarding ice damage.

Stephens asked when the new gate will arrive. VandenBosch said it is to be put in as soon as the City receives it, but the suppliers were told the gate must be installed by April 15. VandenBosch believes the gate may be installed around the end of March.

Strong: Noted that we spoke of opening earlier once we have the new gate.

Adjourn

Motion by Stephens, second by Pyle to adjourn at 6:51 p.m. All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

Marina Fund Revenue
As of February 29, 2012

Fiscal Year Ending in	Seasonal	Transient	Revenue Total	Operational Expense	Net 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	241,200	102,174	343,374	260,325	83,049

NOTES ON OPERATIONAL EXPENSES:

Operational Expense does not include depreciation of approximately $88,000 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 $25,627 annually.

Seasonal Marina Revenue

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar Year 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	0	0	0	0	0	0	0	0	0	0	210,460

Transient Marina Revenue

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar Year 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	0	0	0	0	0	0	0	0	0	0

City of South Haven
Marina Fund - Fund 594
For the period ended February 29, 2012

Revenues:	*Month Actual*	*YTD Actual*	*2011-12 Adpoted Budget*
State Grant	$ -	$ 4,194	$ 4,194
Interest and Rents	0	5,378	10,000
Charges for Service	178,650	343,374	510,000
Other Revenue	-	6,513	7,000
Total Revenues	$ 178,650	$ 359,459	$ 531,194

Expenses:	*Month Actual*	*0*	*YTD Actual*	*2011-12 Adpoted Budget*
Personnel Costs	$ -		$ 35,975	$ 70,385
Supplies	-		3,305	6,800
Admin/Computing/Equipment Fees	5,650		45,197	67,796
Contractual Services	3,608		46,624	84,100
Other Services and Charges	10,598		89,360	140,180
Utilities	1,012		19,131	32,700
Repairs and Maintenance	-		3,044	14,200
Capital Outlay	-		78,145	80,000
Operating Transfers Out	25,627		25,627	25,627
Total Expenses	46,495		346,409	521,788
Depreciation	-		-	88,000
Total Expenses and Depreciation	$ 46,495		$ 346,409	$ 609,788

Net Fund Change	$ 132,155	**$**	**13,050**	$ (78,594)

Retained Earnings	June 30	$	2,026,722
Less Net Capital Assets		$	(944,937)
Net Undesignated Reserves		**$**	**1,081,786**
Add Seasonal Rentals paid but not posted to income yet		**$**	**183,324**
Deduct Expenses paid in advance, not posted to expense yet			
Deduct amounts owed to Marina but not yet received		**$**	**(1,082)**
Add current expenses owed but not paid yet		**$**	**2,688**
Adjusted Undesignated Reserves		**$**	**1,279,767**
Cash & Investments Balance		**$**	**1,279,767**

Black River Park Revenue
As of February 29, 2012

Fiscal Year Ending	Seasonal Dock	Transient Dock	Boat Launch & Parking fees	Seasonal Launch Permit	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	37,439	7,886	38,084	1,297	84,706	72,058	12,648

Note: Operational Expense does not include depreciation of approximately $46,000 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 $5,500 annually

Boat Launching & Parking Fees Revenue

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar Year 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	0	0	0	0	0	0	0	0	0

Launching - Seasonal Permit Revenue

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar Year 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	0	0	0	0	0	0	0	0	0	0

Seasonal Dock Revenue

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar Year 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	0	0	0	0	0	0	0	0	0	0	24,480

Transient Dock Revenue

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar Year 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	0	0	0	0	0	0	0	0	0

City of South Haven
Black River Park Fund - Fund 545
For the period ended February 29, 2012

Revenues:	*Month Actual*	*YTD Actual*	*2011-12 Adpoted Budget*
State Grant	$ - #	$ -	$ -
Charges for Service	20,485	85,212	145,500
Interest and Rents	0	179	3,000
Other Revenue	-	59	-
Total Revenues	$ 20,485 #	$ 85,450	$ 148,500

Expenses:	*Month Actual*	*YTD Actual*	*2011-12 Adpoted Budget*
Personnel Costs	$ -	$ 24,475	$ 44,569
Supplies	-	1,429	3,400
Admin/Computing/Equipment Fees	2,042	16,339	24,508
Contractual Services	1,018	9,916	26,500
Utilities	468	4,860	7,650
Other Services and Charges	610	5,927	9,675
Repairs and Maintenance	-	948	8,500
Capital Outlay	-	8,165	22,503
Operating Transfers Out	5,547	5,547	5,547
Total Expenses	9,686	77,605	152,852
Depreciation	-	-	46,000
Total Expenses and Depreciation	$ 9,686	$ 77,605	$ 198,852

Net Fund Change	$ 10,799	**$ 7,845**	$ (50,352)
Retained Earnings	June 30	$ 656,243	
Less Net Capital Assets		$ (541,437)	
Net Undesignated Reserves		**$ 114,806**	
Add Seasonal Rentals paid but not posted to income yet		**$ 38,729**	
Deduct Expenses paid in advance, not posted to expense yet			
Add Accounts payable owed but not paid yet		**$ 195**	
Add Wages & Payroll tax payable owed but not paid yet		**$ 722**	
Adjusted Undesignated Reserves		**$ 162,297**	
Cash & Investments Balance		**$ 162,297**	

City of South Haven
River Maintenance Fund - Fund 296
For the period ended February 29, 2012

Revenues:	*Month Actual*	*YTD Actual*	*2011-12 Adpoted Budget*
Assessments	$ -	$ 15,216	$ 16,000
Interest and Rents	0	1,313	1,500
Other Revenue	-	-	-
Operating Transfers In	41,174	41,174	41,174
Total Revenues	$ 41,174	$ 57,703	$ 58,674

Expenditures:	*Month Actual*	*YTD Actual*	*2011-12 Adpoted Budget*
Operating Supplies	$ -	$ -	$ 500
Contractual Services	-	-	-
Repairs and Maintenance	-	-	-
Capital Outlay	-	-	10,000
Total Expenditures	$ -	$ -	$ 10,500

Net Fund Change	$ 41,174	$ 57,703	$ 48,174
Prior Year End Fund Balance	June 30	$ 10,260	
Estimated YTD Fund Balance		$ 67,963	
Cash & Investments Balance		**$ 67,963**	

NOTE: Transfers in reflects DDA=10,000, Marina=25,627 & BRP=5,547

Kawasaki YAMAHA

VanDerZee Motorplex

SCHWINN KYMCO

www.vanderzeemotorplex.com

Mr. Paul Vandenbosch
Assistant City Manager
South Haven, Mi. 49090

Dear Paul:

VanDerZee Motorplex would like to submit a proposal to franchise a launch area at the South Marina for the purpose of offering Guided Lake Michigan Excursions on personal watercraft. Qualified clients would be able to operate a personal watercraft accompanied by our guide/ranger. Outings on Lake Michigan would be offered with various routes and points of interest. We will provide a competent staff of personal watercraft enthusiasts who will accompany groups on the Lake.

We receive many rental inquiries during the boating season for personal watercraft and have had to refer them to Holland as they closest boat rental facility to South Haven. Our concern has always been for the safety of the rental client as many have limited boating experience. Allowing a novice on Lake Michigan without proper supervision is not only a safety issue for the operator, but other swimmers and boaters in the area. A mandatory guide would assure that our clients not only would have an enjoyable and unique experience in South Haven, but also would not have worries of inappropriate boating etiquette.

We propose conducting these excursions from the South Marina adjacent to the current "dinghy" dock. This would allow for vital walk up traffic as well as providing a convenient area for our staff. We expect that the average excursion would consist of our guide and 2 to 4 watercraft. Our watercraft would be current or 1 year old units powered by quiet 4 stroke ultra low emission engines and 3 passenger configuration. The excursion would include coast line points of interest such as the VanBuren State Park / Entergy area as well as the various lakefront homes. Any "free time" operation would be done well off shore in open water areas.

(269) 637-8788 1875 Phoenix Rd. South Haven, Mi. 49090 Fax: (269) 637-9250

We would utilize two floating pwc docks near the current dinghy dock area. Please see the attached drawing which details of the proposed location. Our staff would also like to use an approximately 2'x 6' counter for paperwork, etc. With the investment required to get up and running, we would like a 3 to 5 year agreement with annual renewals. A license rate of $1,500 for the first year would be subject to review following the results of the initial season.

Our operation will create 7 to 12 new seasonal jobs as we propose to operate 7 days per week from May 15th through October 15th.

I would be happy to meet with you to discuss the details and any aspects of our proposal. Please call or email with any questions or concerns. I'm confident that this will fill a void that exists along the Lake Michigan shore. It will attract visitors to South Haven that have an urge to get "out on the Big Lake". They will be able to have a unique "hands on" experience on Lake Michigan with competent supervision at all times. Please consider our proposal. Thank you.

Sincerely,

Ray VanDerZee
VanDerZee Motorplex
1875 Phoenix Street
South Haven, Michigan 49090

269 637 8788
rjvander@hotmail.com
www.vanderzeemotorplex.com

HARBOR COMMISSION APPLICATION

CITY OF SOUTH HAVEN
SITE PLAN REVIEW
The Harbor Commission meets the third Tuesday of each month
Application deadline is 15 days prior to the meeting

Applicant Name L.J. Agency, Inc. Phone 637-8788

Address 70720 2nd Ave. So. Haven

Project Name & Address Jet Ski Excursions at the Marina

Brief Description of Project Conduct Jet Ski Excursions on Lake Michigan

# of Existing Docks 0 # of Proposed Docks 2 # of Docks being increased (decreased) 2

Will there be any change in the length, width, and/or location of existing docks, slips or other structures? YES _____ NO X

Will any portion of the project extend past the City Project Lines? YES _____ NO X

	Application Made Yes / No	Permit Received Yes / No	Copy Attached Yes / No
1. Army Corps of Engineers	No		
2. DEQ			
3. Flood Plain Management Agency			
4. Soil and Erosion Permit			

Submittal Requirements

In addition to the requirements for site plan approval as shown on the Plan Application Cover Sheet, Site Plan Submittal Requirements, Site Plan Review Attachment, and any other forms required for the project, the following information must be submitted for any proposed development along the Black River. The drawings must be prepared by or under the supervision of a professional engineer, architect, land surveyor, or landscape architect licensed in Michigan and be signed and sealed by that professional. (Sec. 1402.4)

1. **A scaled drawing of the Black River showing the river where the proposed development will be constructed and depicting the following:**
   - **A. The width of the river.**
   - **B. A cross section of the river bottom.**
   - **C. The location of the U.S.Harbor Line and the City of South Haven Project Line (Per Ord. #740)**
   - **D. Project property lines.**
   - **E. Length, width, location and type of construction of existing docks, piers, slips and seawalls.**
   - **F. Length, width, location, and type of construction of the proposed development.**
   - **G. The current development of the site on the opposing sides of the Black River.**

2. **When any type of dredging is needed to complete the proposed project, the area downstream of the project site for five hundred (500) linear feet and one hundred (100) linear feet upstream from the project must be sounded both before the project is started and at the time of completion, prior to issuance of the Certificate of Occupancy of the project. These soundings must be reported in written form to the City of South Haven for its review. Once the project is completed, the developer will be liable for any debris or spoils that have been found due to the development of the project. If the proposed project includes dredging provide the following:**
   - **A. Pre-construction soundings report.**
   - **B. Proposed disposition of dredging spoils.**

Applicant's Signature Lynda VanDerZee Date 3-7-12

SITE PLAN APPLICATION
CITY OF SOUTH HAVEN
BUILDING DEPARTMENT
539 PHOENIX STREET, SOUTH HAVEN, MICHIGAN 49090
FOR INFORMATION CALL 269-637-0760

Project Address: _____ Tax ID 80-53- _____

Applicant: LJ. Agency / Linda VanDerZee Property Owner: _____

Appl. Address: 70220 2nd Ave. So. Haven Owner Address: _____

Applicant Phone: 269-637-8788 Owner Phone: _____

Applicant Email: linda vanderzee_1 at hotmail.com Owner Email: _____

Current Use of Property: _____ Zoning District of Property _____

Project Description: 2 floating pwc docks

PROPOSED USE: Jet Ski Excursions on Lake Michigan

SECTION NUMBER WHICH PERMITS THIS USE: _____

COMMENTS:

OWNER'S SIGNATURE: _____ DATE: 3-10-12

APPLICANT'S SIGNATURE: Linda VanDerZee DATE: 3-10-12

DATE SUBMITTED: 3-12-12 DATE ACCEPTED: _____ BY: _____

FEE: _____ DATE OF PAYMENT: _____

FORM CONTINUES ON OTHER SIDE, PLEASE COMPLETE BACK OF SHEET

Rev. 01/08

SETBACKS (IN FEET):

FRONT YARD:_____ SIDE YARD: _____

REAR YARD:_____ SIDE YARD: _____

LOT AREA (IN SQUARE FEET) _____

LOT WIDTH (AT FRONT SETBACK) _____

AREA COVERAGE (BY ALL STRUCTURES) _____

HEIGHT (AVERAGE OF PEAK AND EAVE) _____

OFF-STREET PARKING, SECTION 1800

PARKING USE GROUP: _____

SECTION NUMBER: 1800.12._____

PARKING REQUIREMENT: _____

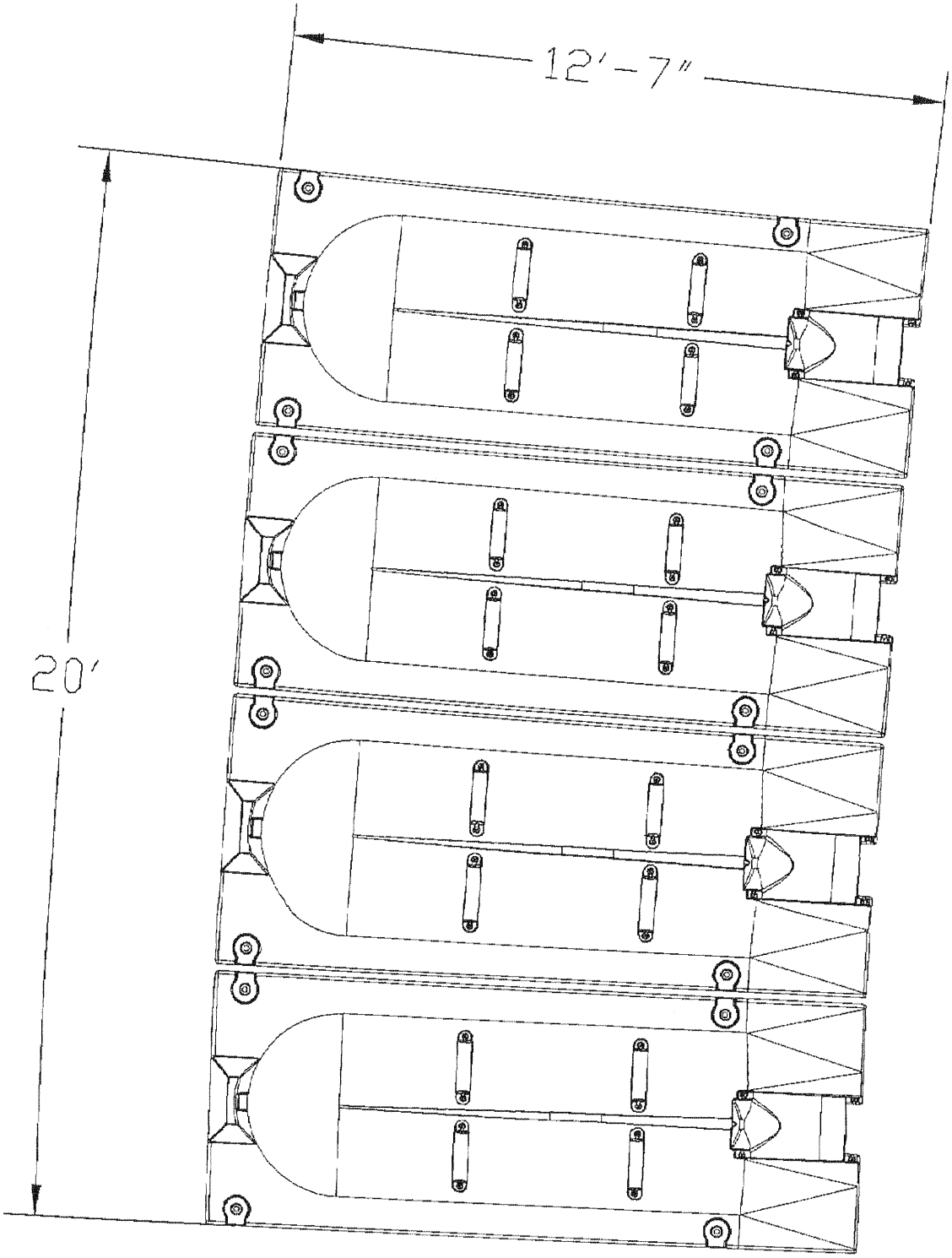
PARKING REQUIREMENT
CALCULATION:

REQUIRED PARKING SPACES_____PROVIDED SPACES_____

DIMENSION OF INDIVIDUAL PARKING SPACES_____

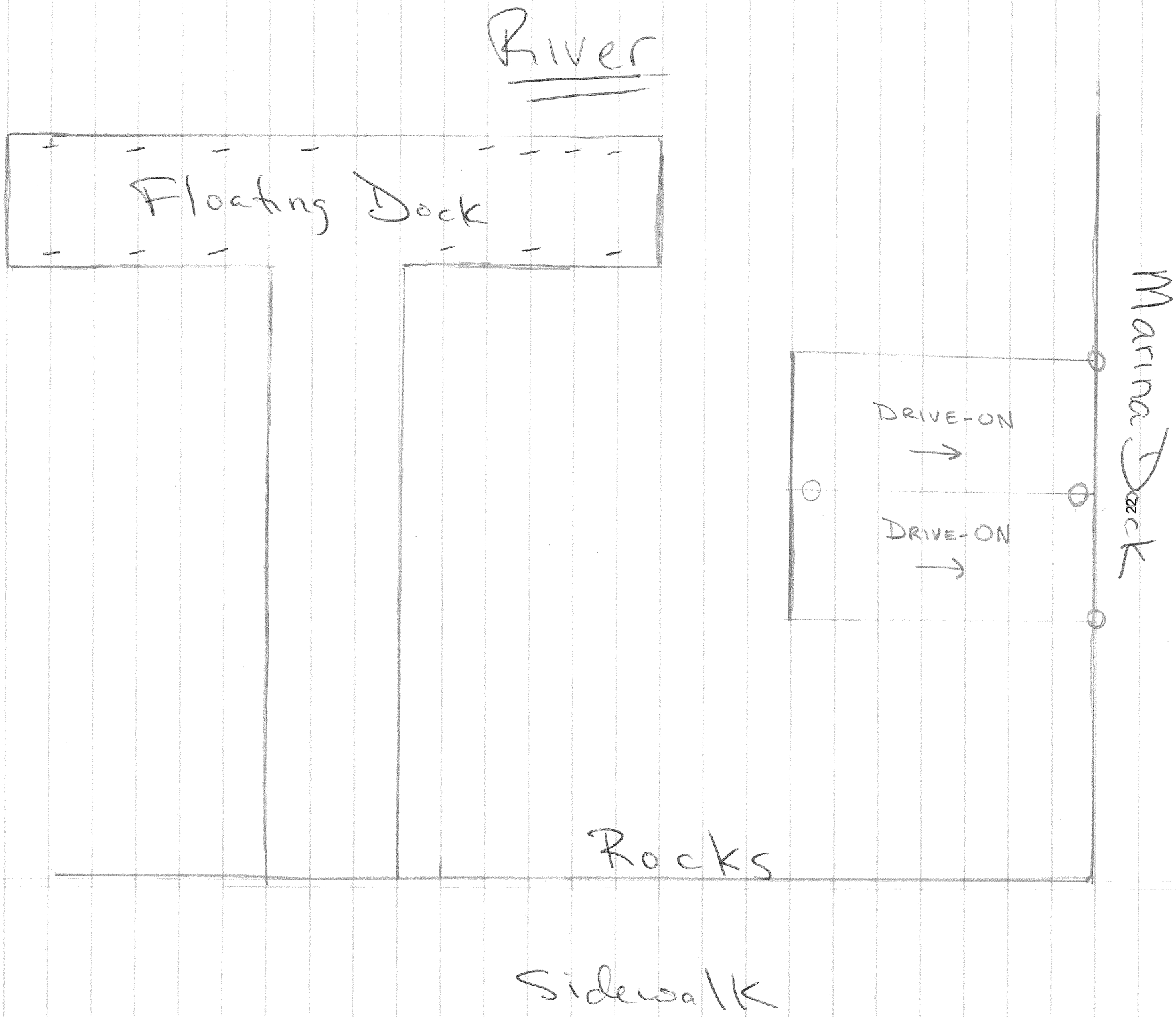
COMMENTS:

Example:
90° pipe to
seawall



Connect-A-Dock

4 each CAP0001 Connect-A-Port
4 each AKF2001 Fixed Dock Kit
3 each AKC2001 Sidey by Side Kit


River
Floating Dock
DRIVE-ON
DRIVE-ON
Marina Dock
Rocks
Sidewalk

Black River St
Mariner's Dockage
Southside Marina
1 - 6
1 2 3 4 5 6 7 8 9 97 96 95 94 93 92 91
7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24
25 26 27 28 29 30 31 32 33 34 35 36 37 38 39

LICENSE AGREEMENT

This License Agreement is made as of _____, 2012, 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 LJ Agency, Inc., a Michigan corporation, the principal business address of which is 70720 2nd Avenue, South Haven, MI 49090 (the "Licensee").

RECITALS

A. The City owns the property located on the Black River commonly referred to as South Side Marina, as is described and depicted on the attached Exhibit A.

B. The Licensee wishes to provide a jet ski watercraft excursion service on Lake Michigan to the public and operate a jet ski excursion facility at the South Side Marina during the summer months.

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 the South Side Marina designated on the attached Exhibit A (the "Licensed Property") for its use in operating a jet ski watercraft excursion 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 the Licensed Property.

(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 to 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 15, 2012 and expire at 6:00 p.m. on October 1, 2012. 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. Within 30 days of the execution of this Agreement, or of any renewal thereof, the Licensee shall pay to the City a nonrefundable license fee of $1,500.00.

4. Property Rights. This Agreement only grants a license to use and 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 jet ski watercraft excursion business shall only consist of offering guided excursions on Lake Michigan to the public including the use of watercraft for a fee. Prior to any such excursion, the Licensee shall make reasonable efforts to ensure that its customers are capable of operating the jet ski watercraft in a safe and suitable manner, including ensuring renters are of a suitable age and physical condition to operate the jet ski watercraft, providing fundamental training on the operation and safety features of the watercraft, and providing instructional materials and background information to ensure its customers are capable of operating its jet ski watercraft safely and in compliance with all applicable laws.

(b) The Licensee shall instruct its customers not to operate any of its jet ski watercraft within 100 feet of any designated swimming area. The Licensee shall be responsible for ensuring compliance with this requirement.

(c) The Licensee shall use reasonable judgment in determining whether to operate, or otherwise utilize its jet ski watercraft when it is readily apparent that weather or water conditions, including but not limited to wind conditions, undertows or rip currents or other wind or weather condition make use of the jet ski watercraft dangerous of unsuitable.

(d) The Licensee may install a floating dock on the Licensed Property, in accordance with plans and specifications approved by the City. The Licensee shall be responsible for outfitting the dock with any equipment reasonably necessary for the operation of the jet ski watercraft excursion business.

(e) The Licensee shall ensure that its operation of the jet ski watercraft excursion business, and the use and operation of its jet ski watercraft on Lake Michigan comply at all times with applicable local, state and federal laws, rules, regulations, ordinances, orders, permits, and licenses.

(f) The Licensee may operate its business on the Licensed Property from 9:00 a.m. to 8:00 p.m., seven days per week, during the term of this Agreement.

(g) During the operating hours specified above, the Licensee may moor its jet ski watercraft in a designated area as specified on the attached Exhibit A.

(h) The Licensee agrees that, if deemed necessary by City emergency rescue personnel, such personnel may utilize an available jet ski watercraft to respond to public emergencies at no cost to the City.

(i) The Licensee shall perform routine buoy maintenance as needed on City beach buoys, which shall include, which shall include installation of buoys in spring, moving buoys back to their original locations when they are displaced throughout the season, and removal of buoys at the end of the season, as directed by the City.

(j) The Licensee may not sell or vend any food products or other merchandise from the Licensed Property.

(l) 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 excursion agreement with customers, the Licensee shall conspicuously display a notice disclaiming any affiliation with the City. The notice shall read:

> THIS EXCURSION AND JET SKI OPERATION IS OPERATED EXCLUSIVELY BY LJ AGENCY, INC. d/b/a _____. THE CITY OF SOUTH HAVEN HAS NO ROLE IN ITS OPERATION.

6. Indemnification. The City shall not be responsible for any loss, damage or injury from the Licensee's operation of the jet ski watercraft excursion business or its use of the Licensed Property 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 jet ski watercraft excursion business or its use of the Licensed Property under this Agreement.

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. 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 Agreement as of the date first above written.

CITY OF SOUTH HAVEN

By:_____
Robert Burr, Mayor

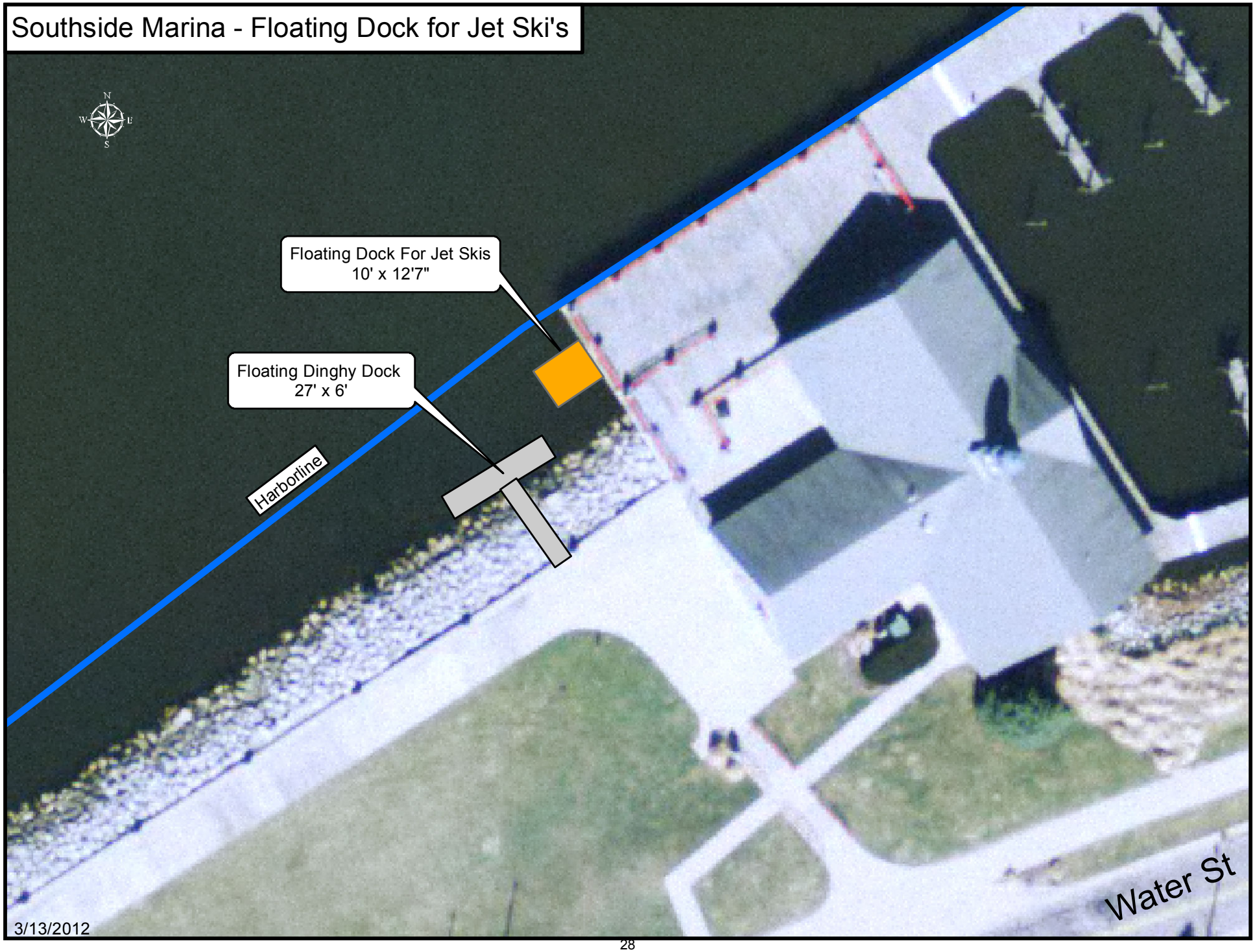
By:_____
Amanda Morgan, Clerk

Date Signed: _____, 2012

LJ AGENCY, INC.

By:_____
Linda VanDerZee, President

Date Signed: _____, 2012


Southside Marina - Floating Dock for Jet Ski's
N
W
E
S
Floating Dock For Jet Skis
10' x 12'7"
Floating Dinghy Dock
27' x 6'
Harborline
Water St
3/13/2012