

# Harbor Commission

## Regular Meeting Minutes

Tuesday, March 18, 2014, 5:30 p.m.  
North Side Marina, 148 Black River Street



City of South Haven

### 1. Call to Order by Arnold at 5:45 pm

Present: Stephens, Pyle, Sullivan, Arnold

Absent: Reineck, Silverman, Strong

### 2. Approval of Agenda

Motion by Pyle to approve the agenda.

Question by Stephens whether it would be more productive to do the Priority Setting and Strategic Plan Review with more members. VandenBosch suggested it would be better to do this review in the early fall.

Motion lost for lack of a second.

After discussion, motion by Stephens to approve the March 18, 2014 Harbor Commission agenda with the removal of Item #7, Strategic Plan and Priority Setting Review to the August meeting.

All in favor. Motion carried.

### 3. Approval of Minutes: February 18, 2014 Regular Meeting

Motion by Stephens, second by Sullivan to approve the February 18, 2014 Harbor Commission regular meeting minutes as written.

All in favor. Motion carried.

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

None at this time.

## 5. Marina Reports

VandenBosch gave an overview of the Marina reports and updated the board on the lake levels.

## 6. Maritime Museum Dock Requests

VandenBosch noted there are two parts to the requests:

1.) The Michigan Maritime Museum asked to use slip #28 in the Maritime Museum; this is a very visible location and the museum has several boats they would like to display. This is a license agreement, similar to the one for the charter boat business, although there will not be any boarding, just the docking of character/historic vessels. The fee is for one slip as any dock renter would pay. This is a ten year agreement, with automatic renewal, and if slip fees are changed by city council, this fee would change.

2.) For many years, the Wilhelm Baum was in the area of Slips 29 & 30, which was never rented out by the city. The Wilhelm Baum had to be moved due to low lake levels, to its current area. Until recently, slips #29 and #30 were assumed to be part of the museum dockage, and without these slips it would create some difficulty for the museum. Staff proposed that slips #29 and #30 be added to the museum lease at no charge as long as that lease is in effect.

VandenBosch noted that there are no taxes and special assessments for boats docked at municipal marinas so Paragraph #7 of the License Agreement: "Taxes and Special Assessments" is an error and needs to be removed. Also pointed out that in the first paragraph of Addendum #9 it refers to the addendum as #8, so this needs to be corrected.

After a question by Stephens about the museum not planning to have boarding of what they call their character/historical vessels, discussion ensued regarding whether there is anything in this agreement that would prevent them from boarding in case of a special event. VandenBosch noted that the city understands that employees/volunteers/boaters may be boarding to move boats. There are private boats right across from these slips. VandenBosch noted that normal use of the boats is expected, although since private slips are right across the dock, the city would not want to see lines of people waiting there to board.

After further discussion, Stephens stated that since there could be potential scenarios which would require boarding, she would like to see the contract address that ahead of time while VandenBosch noted that the contract is open enough that the Museum director and the Marina Manager could make decisions in the case of a special event.

Pyle questioned, from a marketing standpoint, giving three (3) slips away, when other commercial boats are charged differently. VandenBosch said there is a difference between the slips that are being rented by boaters and those that are used for commercial purposes.

Pyle noted the part of the agreement that allows the city to rent those docks if they are not being used for the museum.

Sullivan requested comment on the rationale of allowing the museum two free slips for which the city could be getting revenue, to which VandenBosch responded that the slips are somewhat difficult to get to and the museum has used them for many years; however, were the city to rent those docks, the charge would be for forty foot (40') slips at a rate of \$3,795 per year each. VandenBosch also noted that the museum draws people into the city and Pyle pointed out that the museum is a non-profit. Sullivan responded that the city is also a non-profit. Stephens reiterated that the museum draws people into the city and the city, local businesses, everyone benefits.

Arnold asked whether the lease can be terminated at any time; VandenBosch noted that it is a long-term lease, potentially extended through 2072. Sullivan again stated that he believes the museum should be charged the same amount as anyone else. Discussion ensued regarding the museum charging for excursions but the cost of staff, maintenance, insurance and dockage for the Lindy Lou being more than what is brought in by ticket sales.

Stephens said it is really similar to the lease for the museum property for which the city receives one (1) dollar. After further discussion, VandenBosch noted other properties the city owns which have similar agreements. Discussion ensued regarding charging slip rent for slips #27 and #28. Pyle suggested placing a floating dock so the Lindy Lou and other dinghy boaters could use it and people could off-load on that side of the river.

Pyle voiced more concern with the length of the contract for the slips than with the docks being given rent free. VandenBosch noted that Addendum 9 is tied to the original agreement of rental of the entire grounds.

Stephens pointed out that on page 16 of the agenda, Section 11 of the license agreement concerning slip 28 provides a way out and asked if something exists for addendum #9, slips #29 and #30. VandenBosch said he believes the answer is "no" but would have to refer to the original lease, which is not included in the packet.

After discussion of a term that would be agreeable, Pyle stated that she feels better with ten (10) years so the city is not locked in to such a long term.

During discussion the following corrections and potential updates to the contract and addendum were identified:

- 1.) Payment for slips
- 2.) Shorter contract of ten (10) years.
- 3.) Eliminate Section #7, Taxes and Special Assessments
- 4.) Page 16 – change Ottawa to Van Buren
- 5.) Paragraph #1 of Addendum 9; change the addendum number from eight (8) to nine (9).

Stephens requested clarification of the term “home rule city” which VandenBosch explained.

During discussion regarding charging or not charging the museum VandenBosch noted that the museum would probably not want to enter into the agreement if there was a charge for those slips. Stephens pointed out that the Lindy Lou needs a home.

Motion by Stephens that the Harbor Commission recommends to City Council approval of the License Agreement for slip #28, and Addendum 9 to the lease agreement between the City of South Haven and the Michigan Maritime Museum for slips #29 and #30 with the following changes:

Page 15 of agenda packet, Page 1 of original License Agreement: Remove Section #7. Taxes and Special Assessments.

Page 16 of agenda packet, Page 2, Section 10. Breach and Remedies of original License Agreement: Change Ottawa to Van Buren.

Addendum 9: Paragraph 1: Change reference to addendum #8 to #9.

Addendum #9: Change the contract limit to ten years.

Second by Pyle.

Arnold called the vote.

Ayes: Stephens, Pyle, Arnold

Nays: Sullivan

Motion passed.

## **7. Strategic Plan and Priority Setting Review**

Removed during approval of the agenda; to be discussed at a later date, perhaps August.

## **8. Black River Park Grant Application**

VandenBosch noted there were two grant applications submitted; the drawing on page #39 of the agenda packet depicts what is hoped will happen on the old street garage property. Total project cost and the amount of the grants was discussed. VandenBosch noted that this is the last place left where the city can put dredge spoils so he is a little concerned regarding making these improvements; however, the space cannot be left as a gravel lot forever.

## **9. Weather Buoy**

VandenBosch noted that a grant deadline brought this item before City Council before it came to the Harbor Commission.

The city has commitments for donations up to \$15,000 for this five (5) year project. The maximum our partner, Limnotech, thinks will be needed is \$27, 550.

VandenBosch stated that Resolution No. 2013-73 has been approved by City Council and the grant request has been submitted.

## **10. Commercial Use Policy**

VandenBosch noted that staff was requested to put together a Commercial Use Policy by City Council. An example is the charter fishing boat which Harbor Commission approved the last two years. City Council did not give staff much direction, so this draft is a first attempt by city staff.

VandenBosch explained that in Item #2. Application, an application for preliminary approval is required, at which point the city manager can make a decision whether to continue with the license agreement process.

After Item #3, Preliminary Approval, the city attorney will put together a license agreement. There are some prohibitions and regulations in Item #5, Facility Regulations, while such agreement will come before the Harbor Commission for review before going to City Council for approval.

VandenBosch reviewed the regulations. Pyle asked about kayak rentals in Item #5 Section A. VandenBosch said that kayaks could be permitted by adding “motorized” before the word boats.

Stephens would like to compare this agreement side-by-side with what was put together for the charter fishing business. VandenBosch noted that much of the proposed application takes into consideration the things required for the charter fishing agreement.

VandenBosch noted that commercial uses paying double has been the practice in the harbor and is now being put into writing. Questions and discussion ensued regarding the requirement of proof of insurance. VandenBosch added that the license agreement must be entered into before starting the use.

Motion by Pyle to recommend that draft #2.25.14 for a resolution to establish a policy on commercial uses at municipal marinas and boat launch facilities with the following addition:

Item #5. Facility Regulations, A. Add the word “motorized” before the word boats.

Second by Sullivan.

All in favor. Motion carried.

#### **11. Wilhelm Baum**

Discussion ensued regarding what may have caused the vessel to sink and that the city does not want to push the owners too quickly.

#### **Member and Staff Comments**

Stephens: Received an email from the Regional Science Consortium and Pennsylvania Sea Grant seeking a Boat US Foundation grant for their buoy system. With this particular grant people have to go on the website and vote. Stephens will forward this email to everyone on the board and suggested pursuing a grant through this foundation.

Pyle: How many pilings were lost during the winter? VandenBosch said three are raised up at the museum and the docks are raised up, but damage was not too bad.

#### **Adjourn**

Motion by Pyle, second by Stephens to adjourn at 6:45 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom  
Recording Secretary