



CITY COUNCIL WORKSHOP AGENDA

June 5, 2024, 4:00 p.m.

This is an in-person meeting at Saugatuck City Hall, 102 Butler St, Saugatuck, MI 49453.

The meeting will also be available live, virtually on Zoom.

1. **Call to Order**
2. **Roll Call**
3. **Agenda Changes** *(Additions/Deletions)*
4. **Guest Speaker**
5. **Public Comment on Agenda Items Only** *(Limit 3 minutes)*
6. **Discussion Items:**
 - A. Proposal for Planning of Maple Street Improvements *Pg.2*
 - B. Water Capital Improvement Fee *Pg.6*
 - C. Draft Agreement to Permit Temporary Access to Saugatuck Harbor Natural Area for Weather Research Activities *Pg.39*
 - D. Waste Services Agreement *Pg.51*
 - E. Start Time for Council Meetings *Pg.72*
7. **Public Comments** *(Limit 3 minutes)*
8. **Closed Session:**

Motion by _____, supported by _____, to move into a closed session pursuant to MCL 15.268 (e) and (h), to discuss a confidential written legal opinion regarding the claim of appeal on appeal from the City of Saugatuck Historic District Commission filed by Maplewood Hotel, captioned Maplewood Hotel Corporation v City of Saugatuck and City of Saugatuck Historic District Commission (Case No. 24-69059-AA). Roll call: _____.
9. **Correspondence:**
 - A. Jeff Scott, Ph.D *Pg.73*
10. **Council Comments**
11. **Adjourn**

NOTICE:

Join online by visiting:

<https://us02web.zoom.us/j/2698572603>

Join by phone by dialing:

**(312) 626-6799 -or-
(646) 518-9805**

Then enter "Meeting ID":

2698572603

Please send questions or comments regarding meeting agenda items prior to meeting to:

rcummins@saugatuckcity.com

Requests for accommodations or interpretive services must be made 48 hours prior to this meeting.

Please contact Saugatuck City Clerk at 269-857-2603 or

jwolters@saugatuckcity.com for

further information.



City Council Agenda Item Report

FROM: Ryan Cummins, Interim City Manager

MEETING DATE: June 10, 2024

SUBJECT: Proposal for Planning of Maple Street Improvements

DESCRIPTION:

Maple Street and the underground water main are in need of replacement. City Council listed roads, asset management, and lead service line replacement as essential infrastructure priorities for the year. This work is also on the City's capital improvement plan.

The estimated cost of the Maple Street project is \$2.5 million.

The City Engineer has submitted the attached proposal to plan for the Maple Street improvements.

BUDGET ACTION:

The cost of this work is included in the proposed budget for next fiscal year.

LEGAL REVIEW:

The City Attorney will be at your meeting to answer any questions you may have.

SAMPLE MOTION:

Motion to approve the Fleis & VandenBrink proposal for planning of Maple Steet improvements in the amount of \$30,000.



April 12, 2024

Via Email: rcummins@saugatuckcity.com

Ryan Cummins
City of Saugatuck
102 Butler Street
Saugatuck, MI 49453

RE: Proposal for Planning of Maple Street Improvements

Dear Ryan,

Based on discussions at recent City Council workshop and Parks & Public Works Committee meeting, we understand the City is considering moving forward with improvements on Maple Street between Blue Star Highway and the 2023 project near North Street (approximately 1 mile in length). In recent years, the following project elements have been discussed:

- **Water Main Replacement – Maple Street:** There have been a number of water main breaks and related issues in recent years. The water main is a combination of 4-inch and 6-inch diameter, which would be replaced with 8-inch for improved reliability and fire protection. Any lead or galvanized services would need to be replaced to the homes to meet EGLE Lead and Copper Rules. Water main design, hydrant spacing, valve location, etc. will be coordinated with the Saugatuck Township Fire District (STFD) and Kalamazoo Lake Sewer & Water Authority (KLSWA).
- **Water Main Replacement – Well Field Looping:** The City's two wells are located west of Maple Street. A looped water main connects the wells to the system at Maple Street to the east and along the east side of the high school to the west. This water main was identified for replacement in recent years, as it is similar age and construction as on Maple Street.
- **Water Service Separation:** In recent years, it was discovered that the water service of a nearby home is connected to the private water main that serves the Olde Mill Apartments. Connecting that service directly to the public water main is anticipated to be included in the Maple Street project.
- **Stormwater Management:** At the intersection of Maple Street and Mason Street, the public storm sewer outlets to an open channel running through the property on the northwest corner. Improvements and development in the upstream area have caused bank erosion concerns downstream. A range of mitigation options has been evaluated, and one or more elements could be coordinated with other work on Maple Street.
- **Cross Culvert Improvements:** There are several culverts crossing under Maple Street that will be evaluated for repair or replacement.
- **Sanitary Sewer Repairs:** Based on the results of the City's Stormwater, Asset Management and Wastewater (SAW) project several years ago, we anticipate sanitary sewer work will be minimal, but we will re-evaluate for sewer and manhole repairs.
- **Road Resurfacing:** The asphalt pavement on Maple Street is in very poor condition. There are a number of patches from water main repairs, as well as some failing/failed areas. We

anticipate either crushing, shaping and resurfacing the asphalt pavement or completely reconstructing the road cross section (new sand, gravel, etc.).

- Seepage Repair – Blue Star Highway Approach: The Maple Street approach south of Blue Star Highway has seasonal seepage through the pavement. We understand that the Road Commission attempted to address it in the past (Maple Street is the boundary between City of Saugatuck and Allegan County Road Commission jurisdiction). While the other work envisioned for the project is north of Blue Star Highway, this project may provide a good opportunity to make another attempt to correct the seepage issue, as it causes premature deterioration of the pavement.
- Sidewalk Construction: There are currently no pedestrian facilities in the Maple Street corridor, only a narrow striped shoulder. Construction of a sidewalk has been discussed recently. This would involve tree removal, removal of some right of way encroachments, and likely some retaining wall and fencing construction.

We propose the following Scope of Services to assist you:

Scope of Services

- Meet with City, KLSWA, and STFD staff and other stakeholders, as appropriate, to review project elements, schedule and other relevant items.
- Obtain topographic survey of the corridor between Blue Star Highway and the 2023 Maple Street project limits. Collect alignment, topographic information, cross-section elevations and utility inverts. Incorporate information from prior Maple Street and other area projects, as applicable.
- Prepare a letter report summarizing findings for the following:
 - Review findings from the Technical, Managerial and Financial project on water service materials in the corridor.
 - Review options presented previously for stormwater management.
 - Evaluate routing for water main looping.
 - Prepare a conceptual routing plan for sidewalk, considering location on either side of the street. Identify approximate tree removal, right of way encroachments and other conflicts to be addressed during design.
 - Given the topography, we anticipate access is not practical for televising and the culverts are too small for physical entry. We anticipate visual assessment will be performed from the culvert ends with flashlights and other handheld equipment.
 - Revisit the SAW information and develop a proposed scope of sanitary sewer repairs.
- Assist the City with developing the final project scope, incorporating the elements identified above and others, as directed. Summarize the final project scope for communication and future reference.
- Prepare a budgetary cost estimate for the project.
- Assist the City with coordinating with Saugatuck Township regarding potential cost sharing for certain aspects of the project.
- Assemble the final deliverables (survey, report, cost estimate and conceptual layouts) for use in formal design. We will prepare a separate proposal for design phase services once the project scope has been developed.

Anticipated Schedule

Given the nature of the project and the number of other projects that are anticipated to be ongoing during this one, we anticipate the schedule will be somewhat fluid. In big picture terms, we anticipate completing planning work in 2024 into early 2025, which would allow for formal design work in 2025 and construction in 2026.

Engineering Budget

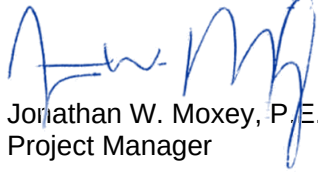
We propose to complete the Scope of Services outlined above at our standard hourly rates plus reimbursable expenses in accordance with the following budget:

Task	Budget
Topographic Survey	\$ 14,800
Field & Desktop Evaluations	\$ 5,600
Letter Report	\$ 3,600
Project Summary and Budgetary Estimate	\$ 2,200
Meetings	\$ 3,800
Total Proposed Budget	\$ 30,000

Authorization to proceed with the work can be given by returning a copy of this proposal, signed below as indicated. In the meantime, please feel free to contact us with any questions.

Sincerely,

FLEIS & VANDENBRINK



Jonathan W. Moxey, P.E.
Project Manager



Don DeVries, P.E.
Principal

Cc: Scott Herbert, Department of Public Works

WORK AUTHORIZATION

Fleis & VandenBrink is hereby authorized to proceed with the Scope of Services presented in this proposal in accordance with the existing Professional Services Agreement for General Consultation dated November 13, 2018.

By _____

Date _____



City Council Agenda Item Report

FROM: Ryan Cummins, Interim City Manager

MEETING DATE: June 10, 2024

SUBJECT: Water Capital Improvement Fee

DESCRIPTION:

In April 2021, the City agreed in a corrective action plan submitted to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) to submit a Drinking Water Asset Management Plan (AMP) and associated Capital Improvement Plan (CIP) for the water system assets located within our jurisdiction.

In September 2023, the City completed the AMP and CIP and City Council approved the submittal of the attached plan to EGLE.

A major component of the AMP was a recommendation from Baker Tilly to implement a water capital improvement fee to provide adequate cash flow to fund necessary future improvements to water mains and lead service lines in the City.

The need for a water capital improvement fee:

- **Aging Infrastructure:** The water infrastructure is aging, necessitating replacement to ensure continued functionality and safety.
- **Environmental Compliance:** New environmental regulations require improvements to the water systems. Complying with these standards is crucial for both regulatory adherence and the well-being of the community.

The rationale for capital improvement fee:

- **User-Pay Principle:** Charging for capital improvements ensures that those who benefit from the enhanced water infrastructure contribute to its costs.

- **Dedicated Funding Source:** Adding a separate line item on water bills for capital improvement charges creates a dedicated funding source specifically for infrastructure projects, ensuring proper and transparent allocation of funds.
- **Long-Term Financial Stability:** Implementing these charges allows us to establish a sustainable financial model for long-term capital improvement projects, reducing reliance on general fund budget allocations.

Baker Tilly's second scenario analysis estimated annual revenue of \$331,680 with a fee of \$20 per month per meter equivalent unit (MEU). A MEU is a water customer with a 5/8" meter size. According to account information from the Kalamazoo Lake Water-Sewer Authority (KLSWA), 84% of City customers have a meter this size. For those with larger meter sizes, they would pay a higher proportion based on their meter size. The following chart summarizes the fee and percentage of customers impacted:

Meter Size	Meter Equivalent (per KLSWA)	Recommended Capital Improvement Fee (per month)	Customers with this Meter Size
5/8"	1	\$20	84.5%
1"	2.5	\$50	11.3%
1 1/2"	5	\$100	1.2%
2"	8	\$160	1.8%
3"	15	\$300	.1%

If City Council wishes to move forward with the recommend fee, staff will work with legal counsel to prepare the necessary ordinance and fee schedule updates. KLSWA has indicated it will take approximately three months to add this fee to the water bills. Revenue from the fee would be sent to the City quarterly and kept separate from other City funds. The funds from this fee can only be used for water system capital improvements.

LEGAL REVIEW:

The City Attorney has reviewed the necessary steps to authorize this type of charge.

SAMPLE MOTION:

N/A. Workshop item only at this time.



Baker Tilly Municipal Advisors, LLC
2852 Eyde Pkwy, Suite 150
East Lansing, MI 48823
(517) 321-0110
bakertilly.com

September 21, 2023

City of Saugatuck
102 Butler St.
PO Box 86
Saugatuck, MI 49453

Re: City of Saugatuck (Michigan) Water Asset Management Plan

Dear City of Saugatuck:

The attached schedules (listed below) present unaudited and limited information for the purpose of discussion and consideration in the preliminary planning stage of a rate study by the appropriate officers, officials and advisors of the City of Saugatuck. The use of these schedules should be restricted to this purpose, for internal use only, as the information is subject to future revision and final report.

Page

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|---|--|
| 1 | Comparative Statement of Net Position |
| 2 | Comparative Statement of Revenues, Expenses, and Changes in Net Position |
| 3 | Comparative Detail of Operating Expenses |
| 4 | Schedule of Estimated Capital Improvements – Scenario One |
| 5 | Cash Flow Analysis – Scenario One |
| 6 | Schedule of Estimated Capital Improvements – Scenario Two |
| 7 | Cash Flow Analysis – Scenario Two |

We would appreciate your questions or comments on this information and would provide additional information upon request.

Sincerely,

BAKER TILLY MUNICIPAL ADVISORS, LLC

Andy Campbell, CPA, Director

CITY OF SAUGATUCK (MICHIGAN) WATER FUND

COMPARATIVE STATEMENT OF NET POSITION

	As Of		
	6/30/2020	6/30/2021	6/30/2022
	(-----Per Audit-----)		
Assets			
Cash and cash equivalents	\$464,503	\$381,884	\$318,985
Investments	193,702	168,885	169,296
Total Assets	\$658,205	\$550,769	\$488,281
Liabilities			
Accounts payable	\$127,735	-	-
Fund Balances			
Public Works	530,470	\$550,769	\$488,281
Total Liabilities and Fund Balances	\$658,205	\$550,769	\$488,281

CITY OF SAUGATUCK (MICHIGAN) WATER FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Fiscal Year Ended		
	6/30/2020	6/30/2021	6/30/2022
	(-----Per Audit-----)		
Operating Revenues			
Charges for services	\$8,450	\$19,810	\$29,650
Interest and rents	15,468	1,489	306
Total operating revenues	<u>23,918</u>	<u>21,299</u>	<u>29,956</u>
Operating Expenses			
Public Works	<u>41,566</u>	<u>1,000</u>	<u>92,444</u>
Net operating income (loss)	<u>(17,648)</u>	<u>20,299</u>	<u>(62,488)</u>
Fund balance, beginning of year	<u>548,118</u>	<u>530,470</u>	<u>550,769</u>
Fund balance, end of year	<u><u>\$530,470</u></u>	<u><u>\$550,769</u></u>	<u><u>\$488,281</u></u>

CITY OF SAUGATUCK (MICHIGAN) WATER FUND

COMPARATIVE DETAIL OF OPERATING EXPENSES

		Fiscal Year Ended			Test Year	Multiplier
		6/30/2022	6/30/2023	6/30/2024		
		(-----Per Client-----)				
Expenditures						
801.000	Contractual Services	\$92,444	-	\$5,000	-	3.0%
	Salaries, Wages, & Benefits	-	-	-	\$10,000	3.0%
	Total Water Operating Expenses	<u>\$92,444</u>	<u>-</u>	<u>\$5,000</u>	<u>\$10,000</u>	

CITY OF SAUGATUCK (MICHIGAN) WATER FUND

SCHEDULE OF ESTIMATED CAPITAL IMPROVEMENTS - SCENARIO ONE

<u>Project Name/Description</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
Complete Distribution System Materials Inventory	\$150,000			
Lead Service Line Replacement - Systemwide	500,000	\$5,000,000		
Wellhouse #5 Improvements	20,000	200,000		
Install Permanent Generator for Wells #4 & #5	10,000	100,000		
Maple Street Water Service Separation (720/ Olde Mill)		30,000		
Maple Street Water Main Replacement - Blue Star to S of North	115,000	1,150,000		
Elizabeth Street Water Main Replacement - Allegan to Main	35,000	350,000		
Lucy Street Water Main Replacement - Water to Butler	15,000	150,000		
Hoffman Street Water Main Replacement - Griffith to Grand	20,000	200,000		
Butler Street Water Main Replacement - Culver to Lucy	100,000	1,000,000		
Grand Street Water Main Replacement - Mason to Hoffman & Francis to St. Joseph	20,000	200,000		
Water Main Replacement/Looping in Well Field, Maple to High School	35,000	350,000		
River Crossing Water Main Replacement - Park to Water	85,000	850,000		
Bridge Street Water Main Extension				\$600,000
Total Estimated Capital Improvements:	<u>\$1,105,000</u>	<u>\$9,580,000</u>	<u>-</u>	<u>\$600,000</u>
Cash Funded:	\$150,000	\$30,000	-	-
Bond Funded:	-	10,505,000 [1]	-	\$600,000 [2]

[1] Includes 2023/24 & 2024/25 capital improvements.

[2] Includes 2026/27 capital improvements.

CITY OF SAUGATUCK (MICHIGAN) WATER FUND

CASH FLOW ANALYSIS - SCENARIO ONE

	<u>2023/24</u>		<u>Increases Per Year</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>Increases Per Year</u>	<u>2028/29</u>	<u>2029/30</u>
	<u>July - Dec.</u>	<u>Jan. - June</u>								
Assumptions										
Meter Equivalent Units (MEU) Billed	1,382	1,382		1,382	1,382	1,382	1,382		1,382	1,382
MEU Charge (monthly)	\$0.00	\$23.00	\$3.00	\$26.00	\$29.00	\$32.00	\$35.00	\$1.00	\$36.00	\$37.00
<i>Typical homeowner's monthly bill</i>										
Charges from City	-	\$23.00		\$26.00	\$29.00	\$32.00	\$35.00		\$36.00	\$37.00
Charges from KLSWA	\$25.40	25.40		26.16	26.95	27.76	28.59		29.45	30.33
Typical homeowner's monthly bill (assumes 4,500 gallons/month)	\$25.40	\$48.40		\$52.16	\$55.95	\$59.76	\$63.59		\$65.45	\$67.33
Revenue										
MEU Charge	-	\$190,716		\$431,184	\$480,936	\$530,688	\$580,440		\$597,024	\$613,608
Miscellaneous	\$3,000	-		3,000	3,000	3,000	3,000		3,000	3,000
Total Revenues	3,000	190,716		434,184	483,936	533,688	583,440		600,024	616,608
Less: Total Operating Expenditures	(5,000)	-		(10,300)	(10,609)	(10,927)	(11,255)		(11,593)	(11,941)
Net Operating Revenue	(2,000)	190,716		423,884	473,327	522,761	572,185		588,431	604,667
Less: Estimated Cash-Funded Capital Improvements	(150,000)	-		(30,000)	-	-	-		-	-
Estimated Debt Service #1 2024/25 State Revolving Fund Bonds [1]	-	-		(100,000)	(430,000)	(430,000)	(430,000)		(430,000)	(430,000)
Estimated Debt Service #2 2026/27 Open Market Bonds [2]	-	-		-	-	(15,000)	(80,000)		(80,000)	(80,000)
Net Cash Flow	<u>(\$152,000)</u>	<u>\$190,716</u>		<u>\$293,884</u>	<u>\$43,327</u>	<u>\$77,761</u>	<u>\$62,185</u>		<u>\$78,431</u>	<u>\$94,667</u>
Cash & Investments	\$260,957	\$108,957	\$299,673	\$593,557	\$636,884	\$714,644	\$776,829		\$855,260	\$949,928

[1] Estimated debt service payments based on \$9,454,500 30-year state revolving fund bond issue at an estimated interest rate. Total project assumed to be \$10,505,000 with \$1,050,500 grant.

[2] Estimated debt service payments based on \$600,000 10-year open market bond issue at an estimated interest rate.

CITY OF SAUGATUCK (MICHIGAN) WATER FUND

SCHEDULE OF ESTIMATED CAPITAL IMPROVEMENTS - SCENARIO TWO

<u>Project Name/Description</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
Complete Distribution System Materials Inventory	\$150,000			
Lead Service Line Replacement - Systemwide	100,000	\$200,000	\$200,000	\$5,000,000
Wellhouse #5 Improvements				220,000
Install Permanent Generator for Wells #4 & #5				110,000
Maple Street Water Service Separation (720/ Olde Mill)			30,000	
Maple Street Water Main Replacement - Blue Star to S of North				1,265,000
Elizabeth Street Water Main Replacement - Allegan to Main				385,000
Lucy Street Water Main Replacement - Water to Butler				165,000
Hoffman Street Water Main Replacement - Griffith to Grand				220,000
Butler Street Water Main Replacement - Culver to Lucy				1,100,000
Grand Street Water Main Replacement - Mason to Hoffman & Francis to St. Joseph				220,000
Water Main Replacement/Looping in Well Field, Maple to High School				385,000
River Crossing Water Main Replacement - Park to Water				935,000
Bridge Street Water Main Extension				600,000
Total Estimated Capital Improvements:	<u>\$250,000</u>	<u>\$200,000</u>	<u>\$230,000</u>	<u>\$10,605,000</u>
Cash Funded:	\$250,000	\$200,000	\$230,000	-
Bond Funded:	-	-	-	\$10,605,000 [1]

[1] Includes 2026/27 capital improvements.

CITY OF SAUGATUCK (MICHIGAN) WATER FUND

CASH FLOW ANALYSIS - SCENARIO TWO

	2023/24		Increases Per Year	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	July - Dec.	Jan. - June							
Assumptions									
Meter Equivalent Units (MEU) Billed	1,382	1,382		1,382	1,382	1,382	1,382	1,382	1,382
MEU Charge (monthly)	\$0.00	\$20.00	\$3.00	\$23.00	\$26.00	\$29.00	\$32.00	\$35.00	\$38.00
<i>Typical homeowner's monthly bill</i>									
Charges from City	-	\$20.00		\$23.00	\$26.00	\$29.00	\$32.00	\$35.00	\$38.00
Charges from KLSWA	\$25.40	25.40		26.16	26.95	27.76	28.59	29.45	30.33
Typical homeowner's monthly bill (assumes 4,500 gallons/month)	\$25.40	\$45.40		\$49.16	\$52.95	\$56.76	\$60.59	\$64.45	\$68.33
Revenue									
MEU Charge	-	\$165,840		\$381,432	\$431,184	\$480,936	\$530,688	\$580,440	\$630,192
Miscellaneous	\$3,000	-		3,000	3,000	3,000	3,000	3,000	3,000
Total Revenues	3,000	165,840		384,432	434,184	483,936	533,688	583,440	633,192
Less: Total Operating Expenditures	(5,000)	-		(10,300)	(10,609)	(10,927)	(11,255)	(11,593)	(11,941)
Net Operating Revenue	(2,000)	165,840		374,132	423,575	473,009	522,433	571,847	621,251
Less: Estimated Cash-Funded Capital Improvements	-	(250,000)		(200,000)	(230,000)	-	-	-	-
Estimated Debt Service #1 2026/27 State Revolving Fund Bonds [1]	-	-		-	-	(160,000)	(540,000)	(540,000)	(540,000)
Net Cash Flow	<u>(\$2,000)</u>	<u>(\$84,160)</u>		<u>\$174,132</u>	<u>\$193,575</u>	<u>\$313,009</u>	<u>(\$17,567)</u>	<u>\$31,847</u>	<u>\$81,251</u>
Cash & Investments	\$260,957	\$258,957	\$174,797	\$348,929	\$542,504	\$855,512	\$837,945	\$869,792	\$951,044

[1] Estimated debt service payments based on \$10,605,000 30-year state revolving fund bond issue at an estimated interest rate.

CITY OF SAUGATUCK
ALLEGAN COUNTY, MI



DRAFT

DRINKING WATER
ASSET MANAGEMENT PLAN

September 2023
Project No. 862350



ASSET MANAGEMENT TEAM

Utility Information

Utility Name: Saugatuck Water Utility System
Street Address: 102 Butler St
City: Saugatuck
Zip Code: 49453
Phone Number: (269) 857-2603
WSSN: 03525

Number of Connections: 907

Personnel

City of Saugatuck

Contact Person: Scott Herbert
Title: Superintendent, Department of Public Works
Email: scott@saugatuckcity.com

Team Member: Ryan Heise
Title: City Manager
Email: ryan@saugatuckcity.com

Kalamazoo Lake Sewer & Water Authority

Contact Person: Daryl VanDyke
Title: Manager, Kalamazoo Lake Sewer & Water Authority
Email: daryl@klswa.com

Fleis & VandenBrink

Contact Person: Jon Moxey, PE
Title: Client Manager
Email: jmoxey@fveng.com

Team Member: Elaine Venema, PE
Title: Project Manager
Email: evenema@fveng.com

Team Member: Peter Drogosh, PE
Title: Project Engineer
Email: pdrogosh@fveng.com

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Appendix B: Asset Inventory

Appendix C: Capital Improvements Plan

Appendix D: Water System Budget

Appendix E: Billing Rate Structure

I. BACKGROUND

A. SERVICE AREA

The City of Saugatuck (City) is located in western Allegan County on Lake Michigan and has an area of 1.77 square miles. Saugatuck is located 11 miles southwest of the City of Holland and 18 miles north of the City of South Haven. As of the 2020 U.S. Census, Saugatuck has a permanent population of 865, though the City and other surrounding municipalities see a large increase in seasonal population during the summer months. According to the City's 2019 Parks & Recreation Plan, a seasonal influx of cottage owners, visitors, and boaters is estimated to virtually double the region's population.

The City of Saugatuck, the City of the Village of Douglas, and Saugatuck Township are Constituent Municipalities of the Kalamazoo Lake Sewer & Water Authority (KLSWA). KLSWA provides sanitary sewer and water service within the three Constituent Municipalities, as well as within Laketown Township. Laketown Township receives service through various contractual arrangements, but is not a Constituent Municipality of KLSWA under Act 233 and KLSWA's Articles of Incorporation.

B. PURPOSE

In a letter dated January 11, 2021 addressed to KLSWA and the managers of the Constituent Municipalities, the Michigan Department of Environment, Great Lakes, and Energy (EGLE) outlined deficiencies identified in a Partial Sanitary Survey of the KLSWA water system. The following is an excerpt from the letter:

EGLE's evaluation of KLSWA has revealed issues with ownership accountability, defined authority between owners and managers/operators, and fiscal management and revenue sourcing.

EGLE understands that KLSWA operates and maintains the water supply facilities, and the individual units of government have retained ownership of the water supply facilities within their jurisdictional boundaries. Therefore, the owner of the water supply facilities is not maintaining their own facilities; KLSWA is serving as a contract operator with additional authority to make operation and maintenance decisions and repairs. This agreement only establishes authority for daily operations and maintenance of facilities, and does not include a structure for capital improvements, long term asset management, authority for cross connection inspections, or other items necessary for the long term management of a water supply.

In a Corrective Action Plan dated April 27, 2021 addressed to EGLE, KLSWA and the managers of the Constituent Municipalities elected to develop, adopt, and implement a new water service agreement between KLSWA and the Constituent Municipalities. Additionally, each Constituent Municipality would prepare and submit an Asset Management Plan (AMP) and associated Capital Improvements Plan (CIP) for the water system assets located within their jurisdictional boundary.

The purpose of this report is to provide the City of Saugatuck with an AMP and associated CIP for the water system assets located within its jurisdictional boundary, to comply with EGLE and the Michigan Safe Drinking Water Act (Act 399 of 1976). Rule 1606 of Act 399 (R 325.11606) states that a community water supply that serves more than 1,000 people shall implement an asset management program (as defined in R 325.10102).

The intent of asset management is to ensure the long-term sustainability of the water utility by helping the utility manager make informed decisions on when it is most appropriate to repair, replace, or rehabilitate particular assets and by developing a long-term funding strategy. This report is intended to be the master plan for guiding the City on the overall water system improvements needed to ensure its ability to perpetually deliver the required level of service.

II. ASSET INVENTORY

Saugatuck's publicly owned water system assets consist of two groundwater production wells, approximately 13 miles of water main, and a concrete ground storage reservoir; the City shares equal ownership of the reservoir with the City of the Village of Douglas. A map of the system is provided as Figure 1 in Appendix A.

Well #4 is rated for a capacity of 500 gpm, Well #5 is rated for 300 gpm, and together they produce between 51 and 64 million gallons of water annually. Water treatment at the wells consists of injection of chlorine for disinfection and polyphosphate for iron sequestration. The wells are housed in two separate buildings.

Water mains range from 4" to 16" in diameter and are composed of cast iron, ductile iron, and HDPE. The oldest water mains pre-date 1927, and were constructed as part of the original distribution system. Throughout the system, there are 134 fire hydrants with valves and approximately 162 water main isolation valves.

The storage reservoir has a capacity of 1,000,000 gallons and is the only storage available for Saugatuck, as well as the greater KLSWA water system.

The water asset inventory is presented in Appendix B and provides asset descriptions, year installed, location, manufacturer (where applicable), replacement cost, useful life, and criticality assessment. All information in the asset inventory is based on construction record drawings and other data received from the City and KLSWA. Not all assets had record drawings available, so their construction dates are either unknown or approximated based on record drawings from adjacent projects. There is currently a Geographic Information System (GIS) in place for refining the inventory as assets are replaced and further documented.

III. CRITICALITY ASSESSMENT

The criticality of each water system asset is based on a combination of its Probability of Failure and its Consequence of Failure. Determining each asset's criticality allows the City to manage its risk and aids in determining where to spend operation and maintenance dollars and plan capital expenditures.

When determining an asset's Probability of Failure, the following factors are considered: asset age, physical condition of asset, failure history, historical knowledge, experiences with that type of asset in general, maintenance records, and knowledge regarding how that type of asset is likely to fail. The table below details the Probability of Failure rating system. These ratings have been applied to each asset listed in the asset inventory in Appendix B.

Probability of Failure		
Rating	Probability	Description
5	Imminent	Will occur several times in the life of an item
4	Probable	Likely to occur several times in the life of an item
3	Occasional	Likely to occur sometime in the life of an item
2	Remote	Unlikely, but possible to occur in the life of an item
1	Improbable	So unlikely, it can be assumed occurrence may not be experienced

When determining an asset's Consequence of Failure, the following factors are considered: cost of repair; social cost associated with the loss of the asset; repair/replacement costs related to collateral damage caused by the failure; legal costs related to additional damage caused by the failure; environmental costs created by the failure; loss of business revenue to the community; and any other associated costs or asset losses. The Consequence of Failure can be high if any one of these costs is significant or the accumulation of several costs occur with a failure. Other considerations when determining an asset's Consequence of Failure may include the following:

- Can the system continue to produce an acceptable quantity and quality of water if asset fails?
- Is there redundancy for the asset built into the system?
- Are replacements / replacement parts on hand to replace/repair the asset on site?
- How long does it take to obtain parts or have service completed?

The table below details the Consequence of Failure rating system. These ratings have been applied to each asset listed in the asset inventory in Appendix B.

Consequence of Failure		
Rating	Consequence	Description
5	Catastrophic disruption	Massive system failure, severe health effects and death, persistent and extensive damage
4	Major disruption	Major effect, major loss of system capacity, major health effects, major costs, important LOS compromised
3	Moderate disruption	Moderate effect, moderate loss of system capacity, moderate health effects, moderate costs, important LOS still achieved
2	Minor disruption	Minor effect, minor loss of system capacity, minor health effects, minor costs
1	Insignificant disruption	Slight effect, slight loss of system capacity, slight health effects

Assessing an asset's criticality requires an examination of its Probability of Failure and its Consequence of Failure as discussed above. The assets that have the greatest probability of failure and the greatest consequences associated with the failure will be the assets that are the most critical and, therefore, present the greatest business risk to the City. An analysis of each asset reveals which assets have the highest criticality factors and, therefore, which assets require the most attention either for repair or replacement. The following formula is used to determine an asset's criticality:

$$\text{Criticality Factor} = \text{Probably of Failure} \times \text{Consequence of Failure}$$

The matrix below presents the various possible criticality factors, which are color coded based on their associated business risk. These factors have been applied to each asset listed in the asset inventory in Appendix B.

		Criticality Factor				
Probability of Failure	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
		Consequence of Failure				

Assets with higher criticality factors and associated business risk should be more closely monitored and scheduled for rehabilitation or replacement. The table below provides recommended inspection and rehabilitation strategies based on an asset's business risk.

Business Risk Management		
Criticality Factor	Business Risk	Strategies for Asset Rehabilitation or Replacement
17 - 25	Very High	Inspect immediately and replace in 1-2 years
10 - 16	High	Inspect immediately and develop short- to medium-term rehabilitation plan
5 - 9	Medium	Inspect immediately and develop long-term rehabilitation plan
3 - 4	Low	Develop short-term inspection strategy and long-term rehabilitation plan
1 - 2	Very Low	Develop medium- to long-term inspection strategy and long-term rehabilitation plan

IV. LEVEL OF SERVICE GOALS

The City of Saugatuck's mission, as it relates to the water system, is to provide the community with continuous, safe drinking water and adequate fire protection that meets or exceeds Federal and State requirements by maintaining and improving the water system through the most cost-effective means without sacrificing quality.

The Asset Management Team (F&V and City staff) reviewed the City's Level of Service (LOS) goals to ensure they aligned with the City's standards and capabilities; the goals are detailed in the table below. The goals will be reviewed on an annual basis to determine if the City was successful in achieving the goals and what steps can be taken to improve the City's performance.

LOS Determinant	Define the Goal	How the Goal is Achieved
Safe Drinking Water	Meet all Federal and State water quality regulations	Monitor water quality: monthly for bacteria, annually for partial chemical, and triennially for metals.
Health & Safety	Provide a safe and injury-free workplace	Conduct regular safety meetings. Incur no MIOSHA safety violations.
Security	Secure all water installations from tampering	Maintain well-lit, fenced and/or locked facilities with proper signage.
Operator Certification	Retain certified personnel to operate and maintain the system	Employ at least 1 operator in charge and 1 backup operator. Operators must maintain a minimum of D-2 and S-2 licenses.
Customer Complaints	Provide excellent customer service	Investigate all customer complaints within 2 business days of report. Report results of the complaint to customer verbally, via the phone, in person, or in writing. Follow up on all complaints to ensure customer satisfaction.
Regulatory Changes	Be aware of regulatory changes and comply with changes as they occur	Attend industry conferences and training sessions to stay informed of changes and requirements. Request annual meeting with local EGLE representative to ensure compliance.
Response Time	Provide excellent customer service	Respond to customer emergencies within 2 hours. Provide customers with written notice 24 hours in advance of any planned interruption in service.
Financial	Maintain funds to address unexpected breakdowns and major expenses	Evaluate water rates every 5 years and adjust the rates/budget accordingly. Seek external funding for major projects as they present themselves. Maintain an operating reserve of 10%.
Water Supply	Maintain all well-related equipment	Have wells and pumps professionally inspected annually, then complete recommended maintenance items. Regularly test and perform maintenance on backup power generators. Maintain well houses in adequate condition.
Water Quality	Provide high-quality, good-tasting drinking water	Maintain water treatment equipment. Flush water mains at least once annually.
Water Storage	Maintain storage tank for longer lifespan	Have the storage tank professionally inspected every 5 years, then complete recommended maintenance items.
Water Distribution	Maintain water mains, hydrants, and valves to ensure good working order	Flush all hydrants at least once annually. Exercise all primary valves on a 4-year rotation. Maintain system pressure above 35 psi, but strive for 60-80 psi under normal conditions. Monitor water losses annually and maintain below 10%.
Administrative	Ensure accurate billing	Review discrepancies and correct in a timely fashion.
Rules & Regulations	Monitor and enforce	Update and review rules annually - cross connections, site sampling plan, required lab analysis, consumer confidence report, safety program.

V. CAPITAL IMPROVEMENTS PLAN

A Capital Improvements Plan (CIP) was developed for the City of Saugatuck based on the Water System Reliability Study (WSRS) completed for KLSWA in February 2021 by Fleis & VandenBrink. Some items have been refined as better information has become available since then. The CIP is summarized below and a complete table of capital improvements, including anticipated costs and dates of completion, is presented in Appendix C. A map of the proposed improvements is provided as Figure 2 in Appendix A.

A. WATER SUPPLY

According to the WSRS, the system's water supply capacity is sufficient to meet projected water demands. The City's well pumps were last inspected in November 2019 by Peerless Midwest and were found to be operating at their rated capacities. No improvements to the well pumps are recommended at this time.

Well 5 is housed in a building that is constructed of sheet metal, which is in fair to poor condition. The wellhouse should be replaced with an appropriate block/brick building to provide better protection and security for Well 5. Additionally, the underground electric line that serves Wells 4 and 5 is not well protected and needs to be replaced with additional protection against potential damage or tampering. It is also recommended that the City install a permanent generator to power Wells 4 and 5 in the event of a power outage.

B. WATER STORAGE

The storage tank was last inspected in October 2019 by Dixon Engineering and was found to be in good overall condition. No improvements to the tank are recommended at this time.

C. WATER DISTRIBUTION

EGLE requires all water supplies to submit a complete Distribution System Materials Inventory (DSMI) by January 1, 2025. The DSMI involves physically verifying the material of a uniformly random, statistically sound number (20%) of service lines of unknown material. Due to the prevalence of known lead service lines throughout Saugatuck's system, it is recommended that the City verify at least 50% of its 229 service lines of unknown material, which equates to 115 service line verifications. Once lead service lines throughout the system are confidently located, they must all be replaced by January 1, 2041.

Distribution system improvements are recommended to improve available fire flows and overall system reliability. These improvements should be considered and implemented by City officials as deemed necessary and as funding allows. The City should plan on replacing any water mains smaller than 6 inches as road improvements are conducted in the service area. These pipes should be replaced with minimum 8-inch pipes.

Anticipated project costs are meant to be rough estimates for budgeting purposes only. Unit prices were assumed at \$385 per foot of 8" water main, \$410 per foot of 12" water main, and \$1,000 per foot of 16" water main (directional drill river crossing). Unit prices were based on recent contractor bid prices from similar projects designed by Fleis & VandenBrink. The unit price of water main includes the cost of appurtenances (hydrants, valves, fittings, etc.) and surface restoration, assuming a worst case scenario of the water main being installed along the centerline of the roadway, requiring two lanes of road pavement restoration.

D. FUNDING SOURCES

Four possible sources of funding have been identified for The City of Saugatuck to complete the capital improvement projects if desired. A brief description of each follows:

Drinking Water State Revolving Fund

This is a preferred alternative. It is a low interest loan program sponsored by EGLE. The current interest rate is 1.875% for 20-year loans (or 30- to 40-year loans for overburdened applicants), and 2.125% for 30-year loans. Some communities may be eligible for principal forgiveness based on their overburdened status.

The program is competitive, and projects are scored on a point system that ranks them on a priority list. Not all submitted projects are funded, so it is important to maximize points on the application. Requirements include a fairly extensive project plan, but most expenses, including the project plan, are eligible activities that can be rolled into the loan. In order for a community to be competitive, they should have an active Source Water Protection Program. Applications are submitted by June 1st of every year.

Special Assessment Bonds

Special assessments levied under PA 188 of 1954 are one of the most common ways to finance infrastructure improvements. The City may levy special assessments against properties that receive special benefits from a public improvement. Property owners have petition rights that must be satisfied before the special assessment can go forward.

Special assessments typically can be repaid in installments with interest. The bonds may not exceed the amount of the special assessment roll and may be secured secondarily by a pledge of the City's full faith and credit.

Revenue Bonds

Revenue bonds are authorized by PA 94 of 1933. They authorize the City to borrow money and issue bonds. They are paid from user fees generated by the operation of the improvements.

Revenue bonds are subject to the right of referendum. Petitions for a public vote can be filed by registered City voters during a 45-day referendum period. Voter approval is not required if the referendum period expires without petitions being filed.

Contract Bonds

Contract bonds are authorized by several state laws. They authorize the City to enter into an agreement with the County or a public authority in order to have the County or authority issue bonds on behalf of the City.

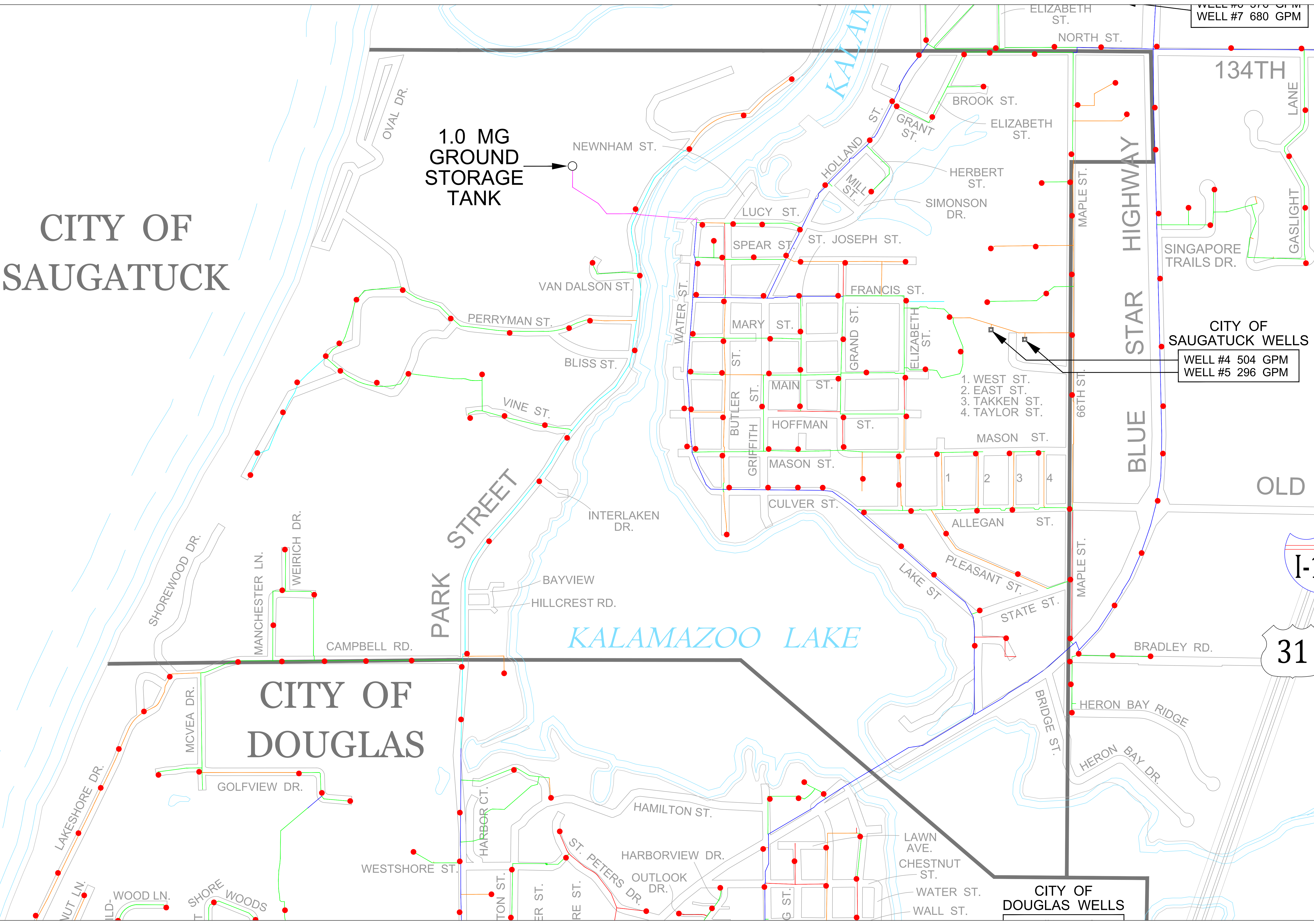
The City may want to consider a contract bond as the County may be able to borrow at a more favorable rate than the City if they are willing to pledge its taxing power as secondary security for repayment of the bonds. Also contract bonds may be paid back by a number of sources including specials assessments, connection fees, and user fees.

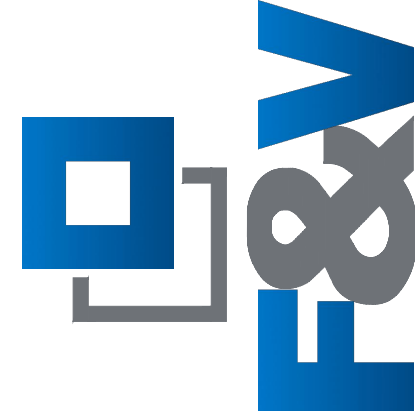
VI. REVENUE STRUCTURE & RATE METHODOLOGY

Saugatuck's financial advisor incorporated the CIP into the City's water system budget and determined the adjustments to the billing rate structure that will be required to generate sufficient revenue for implementing the CIP. The City has provided its water system budget in Appendix D and its current rate structure in Appendix E.

APPENDIX A: FIGURES

CITY OF SAUGATUCK





862350

F&V PROJECT NO.

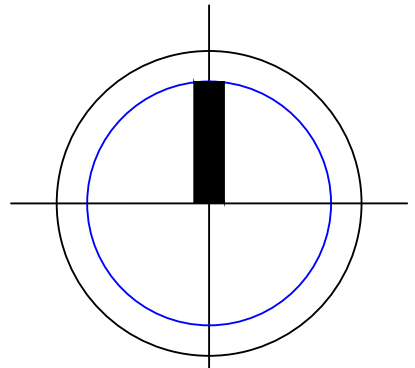
CITY OF SAUGATUCK
ALLEGAN COUNTY, MICHIGAN

WATER ASSET MANAGEMENT PLAN

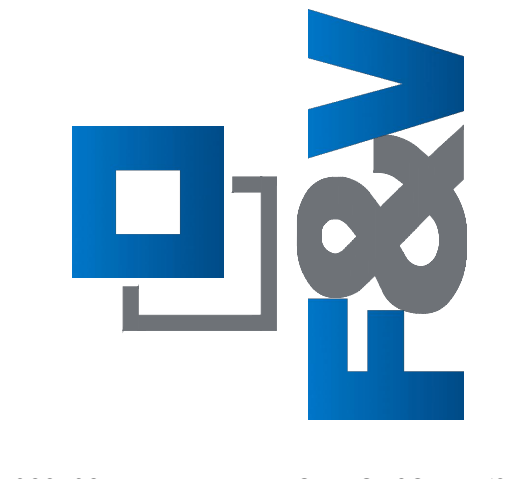
FIGURE 1:
EXISTING WATER SYSTEM

LEGEND

- 4" WATER MAIN
- 6" WATER MAIN
- 8" WATER MAIN
- 10" WATER MAIN
- 12" WATER MAIN
- 16" WATER MAIN
- FIRE HYDRANT



NORTH



LEGEND

PROPOSED WATER MAIN REPLACEMENT

NORTH

APPENDIX B:

ASSET INVENTORY

Source Assets												
Source Assets	Year Installed (Year Overhauled)	Location	Latitude	Longitude	Manufacturer/Model	Replacement Cost	Estimated Useful Life in Years	Remaining Useful Life in Years	Percent of Useful Life Remaining	Probability of Failure	Consequence of Failure	Criticality Factor
Well #4 (12" diameter; 205' deep)	1966	Well #4	42.658722	-86.195667		\$ 150,000	90	33	37%	1	2	2
Well #5 (12" diameter; 157' deep)	1974	Well #5	42.658500	-86.194611		\$ 150,000	90	41	46%	1	2	2
Well #4 Wellhouse	1966	Well #4	42.658722	-86.195667		\$ 150,000	90	33	37%	1	1	1
Well #5 Wellhouse	1974	Well #5	42.658500	-86.194611		\$ 150,000	90	41	46%	4	1	4
Well #4 Pump (Rated 500 gpm @ 258 ft TDH)	1966 (2006)	Well #4	42.658722	-86.195667	Peerless	\$ 12,000	20	3	15%	3	2	6
Well #5 Pump (Rated 300 gpm @ 261 ft TDH)	1974 (2008)	Well #5	42.658500	-86.194611	Peerless	\$ 10,000	20	5	25%	3	2	6

Treatment Assets												
Treatment Assets	Year Installed	Location	Latitude	Longitude	Manufacturer/Model	Replacement Cost	Estimated Useful Life in Years	Remaining Useful Life in Years	Percent of Useful Life Remaining	Probability of Failure	Consequence of Failure	Criticality Factor
Chemical feed pump - chlorine	2015	Well #4	42.658722	-86.195667	Grundfos DDC 6-10	\$ 2,000	15	7	47%	2	4	8
Chemical feed pump - chlorine	2015	Well #5	42.658500	-86.194611	Grundfos DDC 6-10	\$ 2,000	15	7	47%	2	4	8
Chemical feed pump - phosphate	2015	Well #4	42.658722	-86.195667	Grundfos DDC 6-10	\$ 2,000	15	7	47%	2	4	8
Chemical feed pump - phosphate	2015	Well #5	42.658500	-86.194611	Grundfos DDC 6-10	\$ 2,000	15	7	47%	2	4	8

Storage Assets												
Storage Assets	Year Installed	Location	Material	Capacity (gal)	Manufacturer	Replacement Cost	Estimated Useful Life in Years	Remaining Useful Life in Years	Percent of Useful Life Remaining	Probability of Failure	Consequence of Failure	Criticality Factor
Ground storage tank (shared ownership w/ Douglas)	1984	Park St	concrete	1,000,000	Natgun	\$ 3,000,000	90	51	57%	2	4	8

Distribution Assets												
Distribution Assets	Year Installed	Material	Diameter (in)	Total Length (ft)	Manufacturer	Replacement Cost	Estimated Useful Life in Years	Remaining Useful Life in Years	Percent of Useful Life Remaining	Probability of Failure	Consequence of Failure	Criticality Factor
Water Mains	Unknown	Ductile Iron	6	385		\$ 108,000	110	Unknown	Unknown	2	1	2
Replacement Cost*:	Unknown	Ductile Iron	8	1,038		\$ 291,000	110	Unknown	Unknown	2	2	4
8" @ \$280 per foot	Unknown	Ductile Iron	10	344		\$ 104,000	110	Unknown	Unknown	2	2	4
12" @ \$300 per foot	Pre-1927	Cast Iron	4	2,355		\$ 660,000	125	Unknown	Unknown	5	1	5
16" @ \$320 per foot	Pre-1927	Cast Iron	6	1,791		\$ 502,000	125	Unknown	Unknown	5	1	5
	Post-1927	Cast Iron	4	198		\$ 56,000	125	Unknown	Unknown	4	1	4
*Assumes all water main less than 8" will be replaced with 8" water main	Pre-1979	Cast Iron	4	1,102		\$ 309,000	125	Unknown	Unknown	3	1	3
	Pre-1979	Cast Iron	6	4,274		\$ 1,197,000	125	Unknown	Unknown	3	1	3
*Assumes all 10" water main will be replaced with 12" water main	Post-1979	Ductile Iron	6	1,140		\$ 320,000	110	Unknown	Unknown	2	1	2
	Pre-1983	Ductile Iron	6	228		\$ 64,000	110	Unknown	Unknown	2	1	2
	Pre-1983	Ductile Iron	8	1,245		\$ 349,000	110	Unknown	Unknown	2	2	4
	Post-1984	Ductile Iron	6	303		\$ 85,000	110	Unknown	Unknown	2	1	2
	Pre-2000	Ductile Iron	6	327		\$ 92,000	110	Unknown	Unknown	2	1	2
	Pre-2000	Ductile Iron	8	618		\$ 174,000	110	Unknown	Unknown	2	2	4
	Pre-2005	Ductile Iron	8	784		\$ 220,000	110	Unknown	Unknown	1	2	2
	Pre-2010	Ductile Iron	8	260		\$ 73,000	110	Unknown	Unknown	1	2	2
	1966	Cast Iron	6	1,119		\$ 314,000	125	68	54%	3	1	3
	1979	Ductile Iron	6	104		\$ 30,000	110	66	60%	2	1	2
	1979	Ductile Iron	10	5,099		\$ 1,530,000	110	66	60%	2	2	4
	1980	Ductile Iron	6	1,033		\$ 290,000	110	67	61%	2	1	2
	1980	Ductile Iron	8	1,509		\$ 423,000	110	67	61%	2	2	4
	1984	Ductile Iron	6	455		\$ 128,000	110	71	65%	2	1	2
	1984	Ductile Iron	8	566		\$ 159,000	110	71	65%	2	2	4
	1984	Ductile Iron	12	8,186		\$ 2,456,000	110	71	65%	2	3	6
	1984	Ductile Iron	16	1,324		\$ 424,000	110	71	65%	2	3	6
	1987	Ductile Iron	6	3,248		\$ 910,000	110	74	67%	2	1	2
	1988	Ductile Iron	6	878		\$ 246,000	110	75	68%	2	1	2
	1988	Ductile Iron	8	736		\$ 207,000	110	75	68%	2	2	4
	1989	Ductile Iron	6	18		\$ 6,000	110	76	69%	2	1	2
	1989	Ductile Iron	8	966		\$ 271,000	110	76	69%	2	2	4
	1992	Ductile Iron	8	489		\$ 137,000	110	79	72%	2	2	4
	1994	Ductile Iron	6	412		\$ 116,000	110	81	74%	2	1	2
	1994	Ductile Iron	8	456		\$ 128,000	110	81	74%	2	2	4
	1996	Ductile Iron	6	753		\$ 211,000	110	83	75%	2	1	2
	1996	Ductile Iron	8	1,689		\$ 473,000	110	83	75%	2	2	4
	2000	Ductile Iron	6	85		\$ 24,000	110	87	79%	2	1	2
	2000	Ductile Iron	8	3,520		\$ 986,000	110	87	79%	2	2	4
	2003	Ductile Iron	8	651		\$ 183,000	110	90	82%	1	2	2
	2005	Ductile Iron	8	1,211		\$ 340,000	110	92	84%	1	2	2
	2007	Ductile Iron	8	730		\$ 205,000	110	94	85%	1	2	2
	2008	Ductile Iron	8	59		\$ 17,000	110	95	86%	1	2	2
	2008	Ductile Iron	12	1,063		\$ 319,000	110	95	86%	1	3	3
	2009	Ductile Iron	6	30		\$ 9,000	110	96	87%	1	1	1
	2009	Ductile Iron	8	1,456		\$ 408,000	110	96	87%	1	2	2
	2010	Ductile Iron	6	296		\$ 83,000	110	97	88%	1	1	1
	2010	Ductile Iron	8	2,980		\$ 835,000	110	97	88%	1	2	2
	2010	Ductile Iron	12	2,652		\$ 796,000	110	97	88%	1	3	3
	2010	HDPE	8	916		\$ 257,000	55	42	76%	2	2	4
	2011	Ductile Iron	6	74		\$ 21,000	110	98	89%	1	1	1
	2014	Ductile Iron	6	31		\$ 9,000	110	101	92%	1	1	1
	2014	Ductile Iron	8	513		\$ 144,000	110	101	92%	1	2	2
	2015	Ductile Iron	6	175		\$ 49,000	110	102	93%	1	1	1
	2015	HDPE	8	4,540		\$ 1,272,000	55	47	85%	1	2	2
	2015	HDPE	10	1,238		\$ 372,000	55	47	85%	1	2	2
	2018	Ductile Iron	8	394		\$ 111,000	110	105	95%	1	2	2
	2022	Ductile Iron	6	32		\$ 9,000	110	109	99%	1	1	1
	2022	Ductile Iron	8	1,072		\$ 301,000	110	109	99%	1	2	2

Distribution Assets												
Distribution Assets	Year Installed	Material	Diameter (in)	Quantity	Manufacturer	Replacement Cost	Estimated Useful Life in Years	Remaining Useful Life in Years	Percent of Useful Life Remaining	Probability of Failure	Consequence of Failure	Criticality Factor
Hydrants	Unknown			4		\$ 12,000	90	Unknown	Unknown	2	2	4
Replacement Cost: \$3,000 each	Pre-1927			6		\$ 18,000	90	Unknown	Unknown	3	2	6
	Pre-1979			7		\$ 21,000	90	Unknown	Unknown	3	2	6
	Post-1979			2		\$ 6,000	90	Unknown	Unknown	3	2	6
	Pre-1983			2		\$ 6,000	90	Unknown	Unknown	3	2	6
	Post-1984			1		\$ 3,000	90	Unknown	Unknown	2	2	4
	Pre-2005			2		\$ 6,000	90	Unknown	Unknown	1	2	2
	Pre-2010			1		\$ 3,000	90	Unknown	Unknown	1	2	2
	1979			7		\$ 21,000	90	46	51%	3	2	6
	1980			5		\$ 15,000	90	47	52%	3	2	6
	1984			23		\$ 69,000	90	51	57%	3	2	6
	1987			2		\$ 6,000	90	54	60%	2	2	4
	1988			7		\$ 21,000	90	55	61%	2	2	4
	1989			2		\$ 6,000	90	56	62%	2	2	4
	1994			2		\$ 6,000	90	61	68%	2	2	4
	1996			7		\$ 21,000	90	63	70%	2	2	4
	2000			9		\$ 27,000	90	67	74%	2	2	4
	2003			1		\$ 3,000	90	70	78%	2	2	4
	2005			2		\$ 6,000	90	72	80%	1	2	2
	2007			1		\$ 3,000	90	74	82%	1	2	2
	2008			1		\$ 3,000	90	75	83%	1	2	2
	2009			4		\$ 12,000	90	76	84%	1	2	2
	2010			14		\$ 42,000	90	77	86%	1	2	2
	2011			1		\$ 3,000	90	78	87%	1	2	2
	2014			3		\$ 9,000	90	81	90%	1	2	2
	2015			15		\$ 45,000	90	82	91%	1	2	2
	2022			3		\$ 9,000	90	89	99%	1	2	2

Distribution Assets												
Distribution Assets	Year Installed	Material	Diameter (in)	Quantity	Manufacturer	Replacement Cost	Estimated Useful Life in Years	Remaining Useful Life in Years	Percent of Useful Life Remaining	Probability of Failure	Consequence of Failure	Criticality Factor
Valves	Unknown		8	3		\$ 6,000	70	Unknown	Unknown	2	2	4
Replacement Cost*:	Pre-1927		4	1		\$ 2,000	70	Unknown	Unknown	3	2	6
8" @ \$2,000 each	Pre-1927		6	1		\$ 2,000	70	Unknown	Unknown	3	2	6
12" @ \$3,000 each	Pre-1979		4	3		\$ 6,000	70	Unknown	Unknown	3	2	6
	Pre-1979		6	4		\$ 8,000	70	Unknown	Unknown	3	2	6
*Assumes all valves less than 8" will be replaced with 8" valves	Post-1979		6	2		\$ 4,000	70	Unknown	Unknown	3	2	6
*Assumes all 10" valves will be replaced with 12" valves	Pre-1983		6	1		\$ 2,000	70	Unknown	Unknown	3	2	6
	Pre-1983		8	3		\$ 6,000	70	Unknown	Unknown	3	2	6
	Post-1984		6	1		\$ 2,000	70	Unknown	Unknown	2	2	4
	Pre-2000		6	1		\$ 2,000	70	Unknown	Unknown	2	2	4
	Pre-2000		8	2		\$ 4,000	70	Unknown	Unknown	2	2	4
	Pre-2005		8	1		\$ 2,000	70	Unknown	Unknown	2	2	4
	Pre-2010		8	2		\$ 4,000	70	Unknown	Unknown	2	2	4
	1966		6	3		\$ 6,000	70	13	19%	5	2	10
	1979		10	8		\$ 24,000	70	26	37%	4	2	8
	1980		6	4		\$ 8,000	70	27	39%	4	2	8
	1980		8	4		\$ 8,000	70	27	39%	4	2	8
	1984		8	8		\$ 16,000	70	31	44%	3	2	6
	1984		12	9		\$ 27,000	70	31	44%	3	2	6
	1984		16	4		\$ 12,000	70	31	44%	3	2	6
	1987		6	10		\$ 20,000	70	34	49%	3	2	6
	1988		6	2		\$ 4,000	70	35	50%	3	2	6
	1988		8	1		\$ 2,000	70	35	50%	3	2	6
	1989		8	4		\$ 8,000	70	36	51%	3	2	6
	1992		8	1		\$ 2,000	70	39	56%	3	2	6
	1994		6	2		\$ 4,000	70	41	59%	3	2	6
	1994		8	1		\$ 2,000	70	41	59%	3	2	6
	1996		6	1		\$ 2,000	70	43	61%	2	2	4
	1996		8	5		\$ 10,000	70	43	61%	2	2	4
	2000		8	9		\$ 18,000	70	47	67%	2	2	4
	2003		8	5		\$ 10,000	70	50	71%	2	2	4
	2005		8	5		\$ 10,000	70	52	74%	2	2	4
	2007		8	3		\$ 6,000	70	54	77%	2	2	4
	2008		12	1		\$ 3,000	70	55	79%	2	2	4
	2009		8	5		\$ 10,000	70	56	80%	1	2	2
	2010		6	2		\$ 4,000	70	57	81%	1	2	2
	2010		8	18		\$ 36,000	70	57	81%	1	2	2
	2010		12	5		\$ 15,000	70	57	81%	1	2	2
	2011		6	1		\$ 2,000	70	58	83%	1	2	2
	2014		8	2		\$ 4,000	70	61	87%	1	2	2
	2015		8	10		\$ 20,000	70	62	89%	1	2	2
	2015		10	2		\$ 6,000	70	62	89%	1	2	2
	2018		8	1		\$ 2,000	70	65	93%	1	2	2
	2022		8	1		\$ 2,000	70	69	99%	1	2	2

APPENDIX C:

CAPITAL IMPROVEMENTS PLAN

City of Saugatuck
Water System Capital Improvements Plan 2024-2028

Project	Anticipated Funding Source(s)	Anticipated Project Cost By Year					Total	Notes
		2024	2025	2026	2027	2028		
Water System								
Complete Distribution System Materials Inventory	Local/General	\$ 150,000					\$ 150,000	Due to State January 1, 2025
Lead Service Line Replacement - Systemwide	Potentially EGLE/DWSRF	\$ 500,000	\$ 5,000,000				\$ 5,500,000	Locations and final count TBD. Contingent on EGLE funding.
Wellhouse #5 Improvements	Potentially EGLE/DWSRF	\$ 20,000	\$ 200,000				\$ 220,000	Contingent on EGLE funding.
Install Permanent Generator for Wells #4 & #5	Potentially EGLE/DWSRF	\$ 10,000	\$ 100,000				\$ 110,000	Contingent on EGLE funding.
Maple Street Water Service Separation (720/Olde Mill)	Local/General		\$ 30,000				\$ 30,000	Concurrent with Maple St WM replacement
Maple Street Water Main Replacement - Blue Star to S of North Street	Potentially EGLE/DWSRF	\$ 115,000	\$ 1,150,000				\$ 1,265,000	Contingent on EGLE funding.
Elizabeth Street Water Main Replacement - Allegan to Main	Potentially EGLE/DWSRF	\$ 35,000	\$ 350,000				\$ 385,000	Contingent on EGLE funding.
Lucy Street Water Main Replacement - Water to Butler	Potentially EGLE/DWSRF	\$ 15,000	\$ 150,000				\$ 165,000	Contingent on EGLE funding.
Hoffman Street Water Main Replacement - Griffith to Grand	Potentially EGLE/DWSRF	\$ 20,000	\$ 200,000				\$ 220,000	Contingent on EGLE funding.
Butler Street Water Main Replacement - Culver to Lucy	Potentially EGLE/DWSRF	\$ 100,000	\$ 1,000,000				\$ 1,100,000	Contingent on EGLE funding.
Grand Street Water Main Replacement - Mason to Hoffman & Francis to St. Joseph	Potentially EGLE/DWSRF	\$ 20,000	\$ 200,000				\$ 220,000	Contingent on EGLE funding.
Well Field Loop Water Main Replacement - Maple to High School	Potentially EGLE/DWSRF	\$ 35,000	\$ 350,000				\$ 385,000	Contingent on EGLE funding.
River Crossing Water Main Replacement - Park to Water	Potentially EGLE/DWSRF	\$ 85,000	\$ 850,000				\$ 935,000	Contingent on EGLE funding.
Bridge Street Water Main Extension	Local/General				\$ 600,000		\$ 600,000	
	Subtotal Water System	\$ 1,105,000	\$ 9,580,000	\$ -	\$ 600,000	\$ -	\$ 11,285,000	

Note: Projects shaded blue/gray denote those that would be partially funded by EGLE and are thus contingent on EGLE funding.

APPENDIX D:

WATER SYSTEM BUDGET

APPENDIX E: BILLING RATE STRUCTURE



2960 Lucerne Drive SE
Grand Rapids, MI 49546
P: 616.977.1000
F: 616.977.1005
www.fveng.com



City Council Agenda Item Report

FROM: Ryan Cummins, Interim City Manager

MEETING DATE: June 5, 2024

SUBJECT: Agreement to Permit Temporary Access to Saugatuck Harbor Natural Area for Weather Research Activities

DESCRIPTION:

The University of Colorado, on behalf of the University of Colorado Boulder's Cooperative Institute for Research in Environmental Sciences (UC Boulder), is requesting temporary access to City-owned property in the Saugatuck Harbor Natural Area, north of Oval Beach, for a weather research activity.

Purpose of UC Boulder's Access

- Operate robotic (unmanned) aircraft to collect measurements of temperature, humidity, pressure, winds, and turbulence between the surface and 2,000 feet above ground level over Lake Michigan.
- Flights will take off and land on the beach and take place during daylight hours (7:00 AM to 7:00 PM) from July 30, 2024, to August 1, 2024.

Key Provisions of the Draft Agreement

- UC Boulder's access is limited to the designated area and described activities.
- UC Boulder is responsible for any damage or injuries caused by their activities.
- UC Boulder will maintain general liability and aviation liability insurance.
- UC Boulder will minimize disruptions to the environment and surrounding properties.
- UC Boulder will leave the property in the same condition as it was prior to their use. This includes, but is not limited to, ensuring native flora, fauna, and natural habitats remain undisturbed.
- The City can revoke the agreement at any time.

Attached are further details from a presentation provided to staff.

LEGAL REVIEW:

Legal reviewed relevant land agreements and the proposed access agreement and drafted changes which are incorporated into the attached draft. Legal will be at your meeting to answer any questions you may have.

SAMPLE MOTION:

Motion to approve the Agreement to Permit Temporary Access to Saugatuck Harbor Natural Area for Weather Research Activities.

Agreement to Permit Temporary Access

This Agreement to Permit Temporary Access ("Agreement") is made by and between Dr. Gijs de Boer, on behalf of The University of Colorado Boulder's Cooperative Institute for Research in Environmental Sciences, whose address is 1665 Central Campus Mall 216 UCB, Boulder, CO 80309 ("Permittee"), and the City of Saugatuck, a Michigan municipal corporation, whose address is 102 Butler Street, Saugatuck, MI 49453 ("City").

Applicant/Permittee Information

Applicant Name/Representative: Gijs de Boer

Company or Organization: The Regents of the University of Colorado, a body corporate, on behalf of the University of Colorado Boulder's Cooperative Institute for Research in Environmental Sciences ("University"), a public university.

Address: 216 UCB

City: Boulder

State: CO

Zip: 80309

Phone: 720-628-6488

Email: gijs.deboer@colorado.edu

Description of property to be accessed

City-owned property in the Saugatuck Harbor Natural Area, to the north of Oval Beach, up to but not including the Saugatuck South Pierhead which is not under the City's jurisdiction or control. Additionally, two parking spaces within the Oval Beach parking lot to stage not more than two motor vehicles during access to the property (however, nothing herein will be construed to reserve or guarantee Permittee the right to use parking spaces at Oval Beach, which are available on a first-come, first-serve basis).

Description of requested use

Permittee's research team would like to use the property to support operation of robotic (unmanned) aircraft as part of a weather research activity being organized by Central Michigan University and funded by the US National Science Foundation. Permittee's team (no more than 4 people at a time) would like to access the property on foot, using a wagon to transport equipment. The unmanned aircraft that Permittee is operating will be limited to a fixed-wing platform with a 6 foot wingspan and a rotary wing platform with a 1.5 foot cross-section. The fixed-wing aircraft is launched by a bungee cord, and lands on its undercarriage on the beach surface. This platform will conduct several (2-3) flights per day of approximately 1.5 hours each. The rotary-wing platform takes off and lands vertically. This platform would conduct hourly flights of approximately 10-15 minutes each. The fixed-wing platform flies in a spiral pattern with a radius of approximately 400 feet, while the rotary wing platform would fly a straight vertical profile over the lake surface. All flights would take place during daylight hours (07:00-19:00). Permittee anticipates flights would take place during approximately 24 days in July 2024, but

under no circumstances will any flights take place beyond the requested access dates set forth below. The unmanned aircraft will collect measurements of temperature, humidity, pressure, winds, and turbulence between the surface and 2000 feet above ground level, over Lake Michigan. These measurements are being used to inform, evaluate, and improve our understanding of the influence of coastal circulations (e.g., lake breeze) on the development of severe weather over lower Michigan. The activity will not disturb the property surface. Permittee will not travel beyond the beach or the pierhead, and acknowledges that this Agreement does not authorize it to access the pierhead, which is not under the City's jurisdiction or control. All activities will be overseen by Dr. Gijs de Boer (CU Senior Research Scientist), Dr. Brian Argrow (CU Professor), and Dr. Eric Frew (CU Professor).

Requested Access Dates

Start Date: 30 June 2024

End Date: 1 August 2024

Provisions:

By signing and submitting this application, the Permittee agrees to the following provisions as a condition of their use of the City's property:

1. Permittee's access shall be limited to the City-owned property identified in "Description of the property to be accessed" above, and its use of the property shall be limited to the activities described in "Description of requested use" above for the times identified in the "Requested Access Dates" above. Permittee shall not exceed this scope of use and access unless if first receives written authorization from the City.
2. The Permittee understands that the permit granted pursuant to this Agreement is granted in the City's sole discretion and conveys no rights to renew or extend.
3. Responsibility.
 - a. Permittee shall be liable for any damage or injuries caused by the acts and omissions of its officers, agents, employees and representatives relating to its access to and use of the City's property or any activities authorized by this Agreement.
 - b. Permittee shall hold the City and its officers, employees, and agents harmless from, indemnify it for and defend it (with legal counsel reasonably acceptable to the City) against any liability for damages, injury or other casualty and costs or expenses, including reasonable attorneys' fees, caused by or arising from any act or use or negligence by or of the Permittee or any of its agents, servants, visitors, volunteers, licensees or employees arising out of Permittee's use of the City's property as authorized by this Agreement. This obligation shall survive termination of this Agreement. In addition, nothing in this Agreement shall be construed as a waiver on behalf of the City of any governmental immunity, or any defense it would be entitled to under state or federal law.

- c. Permittee shall take reasonable steps to appropriate sufficient funds in support of any liability arising out of this Permit, including without limitation Section 3.a and b.
4. Insurance. Permittee, at its sole cost and expense, shall during the entire term of this permit maintain general liability insurance, in an amount not less than one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000.00) aggregate as well as aviation liability insurance in an amount not less than five million dollars (\$5,000,000.00). These policies shall name the City as an additional insured and permittee shall furnish a Certificate of Liability Insurance to the City prior to starting work under this Agreement.
5. Permittee shall, to the maximum extent practicable, minimize disruptions and/or harm to persons and the environment in the carrying out of the work authorized by this Agreement. Permittee shall not enter any adjacent properties without the express permission of the owner of said property.
6. Permittee shall leave the City's property in the same condition as it was prior to their use. This includes, but is not limited to, ensuring native flora, fauna, and natural habitats remain undisturbed by access to and use of the City's property. Upon completion of use and access, Permittee agrees to restore said land, if damaged, as determined at the sole discretion of the City, as near as practicable to its original condition, unless otherwise agreed to in writing by the City.
7. Permittee shall strictly comply with all applicable federal state, and local laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices, and all applicable Federal Aviation Administration laws, rules, guidelines, or permits relating to the Permittee's operation of unmanned (robotic) aircraft.
8. The City may, in its complete discretion, revoke this Agreement and the access granted to Permittee herein at any time. Such revocation shall be effective immediately upon written or verbal notice to Permittee or any of its officers, agents, employees, or representatives. Permittee waives any claims it may have against the City arising out of the revocation of this Agreement by the City for any reason.
9. This Permittee may not assign or transfer its rights under this Agreement without the City's prior written consent, which may be withheld in the City's sole discretion.
10. This Agreement will be construed pursuant to the laws of the State of Michigan, and the parties agree that should any dispute arise, venue is appropriate in Allegan County, Michigan. This is the entire Agreement between the Parties regarding its subject matter. There are no contemporaneous agreements. This Agreement may not be modified or amended except in writing, signed by both Parties. More than one copy of this Agreement may be signed, but all constitute but one agreement.

Signatures

Russell L. Moore
Provost & Executive Vice Chancellor for Academic Affairs
University of Colorado Boulder

Date

City of Saugatuck Signature

Date

Name

Title

Background Information for Potential University of Colorado Flights in/around Saugatuck for Weather Research

CU Boulder Points of Contact:

Gijs de Boer (gijs.deboer@Colorado.edu)

Brian Argrow (brian.argrow@colorado.edu)

Project Lead (Central Michigan University):

Jason Keeler (keele1j@cmich.edu)

Project General Overview

Name: Maritime to Inland Transitions Towards ENvironments for Convection Initiation (MITTEN-CI)

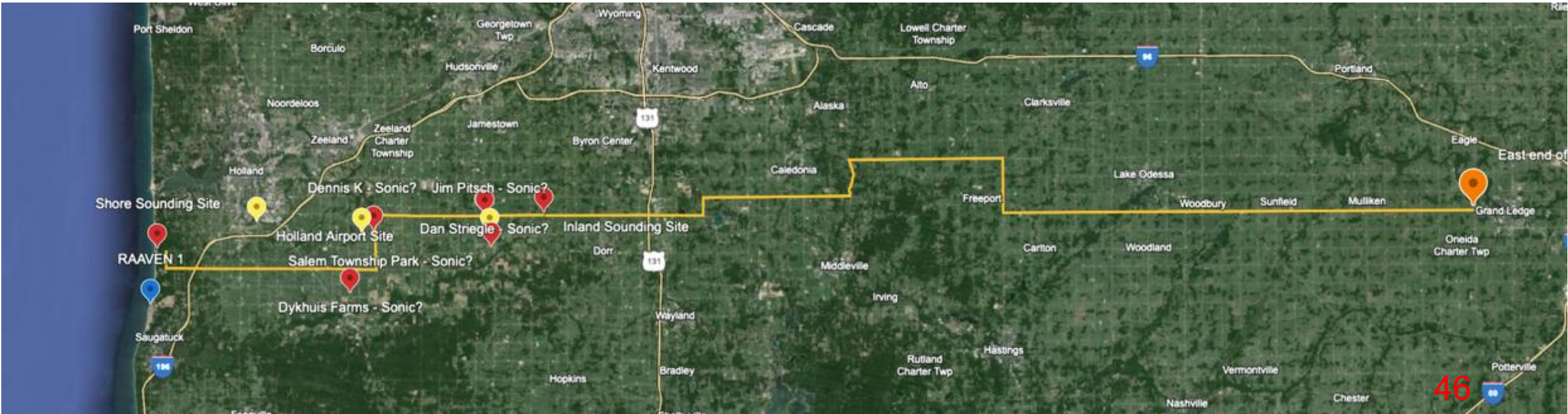
Collaborating Institutions: Central Michigan University (lead), University of Colorado Boulder, University of Illinois, University of Nebraska Lincoln, Texas Tech University

Purpose: Collect data on lake breezes from Lake Michigan and the evolution of the marine layer over the lower peninsula to better understand the influence of these circulations on the development of thunderstorms and precipitation over Michigan

Timing: July 2024

Location: Observing assets will be positioned along a transect between Saugatuck and Grand Ledge (map below)

Financial Support: US National Science Foundation



RAAVEN Robotic Aircraft Overview

Name: Robust Autonomous Airborne Vehicle - Endurant and Nimble (RAAVEN), operated by the U. of Colorado Boulder

Vehicle Specifications: 2-meter wingspan, electric propulsion, ~2-hour endurance, ~10 lb. instrumented weight , Pixhawk Cube Autopilot System

Previous Deployments: Central Plains (2019, 2022, 2023), Barbados (2020), Oklahoma (2021), Wisconsin (2021), Houston (2022), Colorado (2024), California (2024), totaling hundreds of flight hours

Measurements Collected: Temperature, Pressure, Humidity, Winds, Turbulence, Relative Surface/Sky Temperature

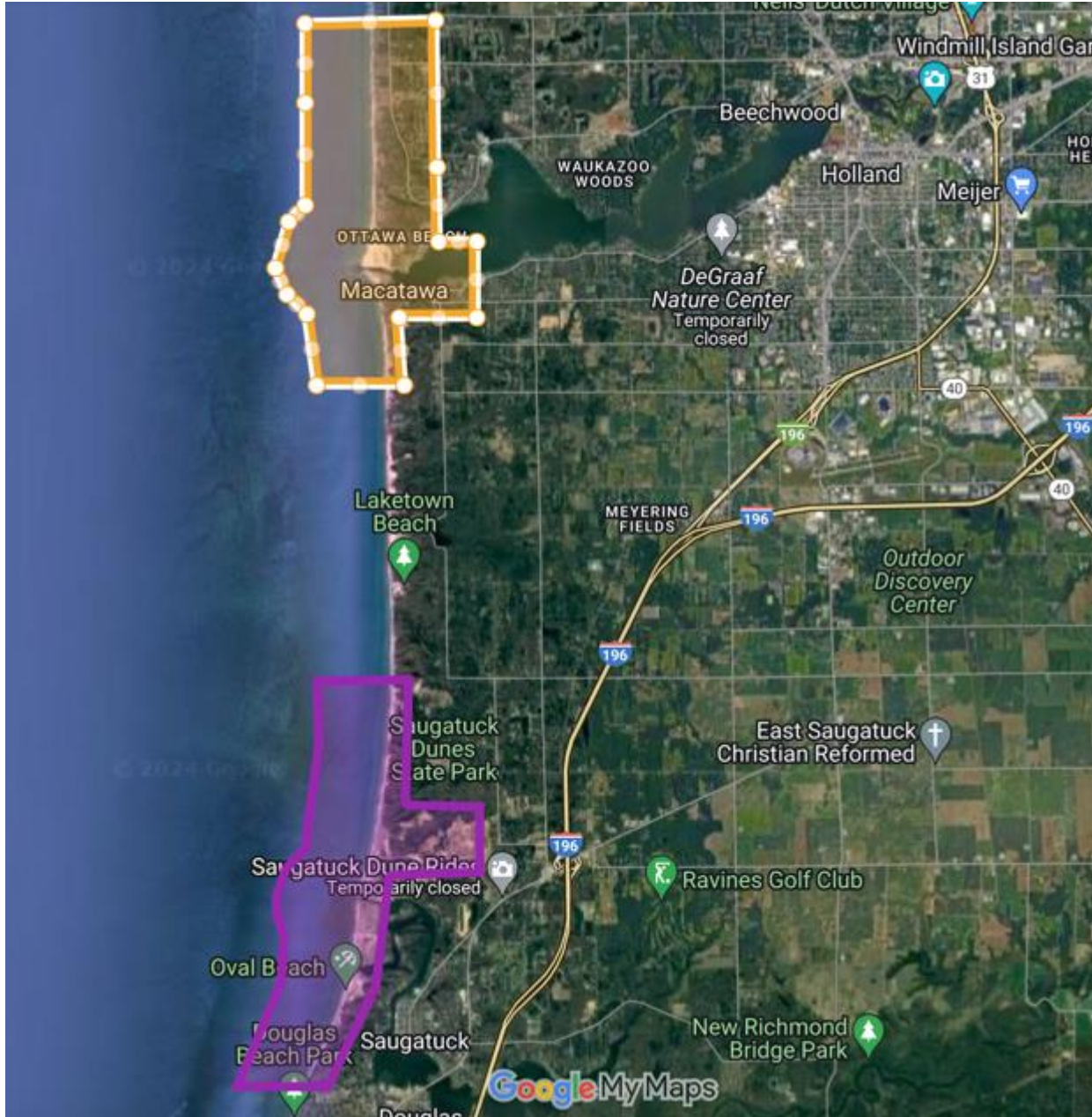
RAAVEN Objectives for MITTEN-CI: Collect measurements of the marine layer and lake breeze over Lake Michigan

Noise Level: 64 dB at 30 ft. distance (comparable to a business office setting), <55 dB at 150 ft. distance (< refrigerator)

Insurance: \$5M aviation liability policy, certificate available upon request



Proposed Flight Operations



Altitude Range: 50-2500 ft above surface within the purple box on the map. 2500-ft ceiling is dependent upon FAA Certificate of Authorization (COA) approval.

Number of Flights: 3-4 flights per day, ~1.5 hours each, during daylight hours (exact times negotiable). Flights would be conducted in connection with weather conditions, including up to a maximum of 24 out of the 31 days in July.

Operations Location: Negotiable based on site access possibilities. Looking for an area that has direct lake access, good sky visibility, and decent surface area for landing the aircraft. Ideally, the surface area for landing is a 100-200 yard flat region with space on both sides for approach and climb out in case of go-around. Also, we'd like to try to find an area where we could manage movement by people not participating in the activity during the landing phase of flight (2-3 min).

Flight Team and Equipment: 3-4 people, 1-2 cars/SUVs.

Take Off / Landing Details

Take Off: RAAVEN is generally launched using a pneumatic catapult system that is mounted to our ground vehicles. Bungee launch options are also possible.

Landing: RAAVEN is a “belly-lander”, meaning that it does not have landing gear and lands on skids mounted on the bottom of the airframe. The aircraft has previously been landed in grass fields, corn fields, dirt/gravel roads, beaches, and pavement. Landings are commanded by an experienced manual pilot who guides the aircraft on its final approach and landing.



Broader Impacts/Community Relations

Community/Neighborhood Info Sessions: The RAAVEN and broader MITTEN-CI teams would be happy to share information on our activity and equipment with the local community and/or Northshore property owners. This could include an evening lecture or other public gathering.

School/Camp Outreach: Team members are experienced in working with students of various ages to share STEM-related information on our activities. We have done so with several previous field deployments and would be excited to connect with Michigan school districts to explore possibilities to engage.

Media Engagement: Our teams have previously engaged with local and national media to shed light on the importance of the research projects with which we are engaged, and to acknowledge community contributions to such efforts.

Student Development: MITTEN-CI and similar activities provide critical learning opportunities and experiences for the college students participating in these projects.

Public Acknowledgment: Northshore of Saugatuck would be publicly acknowledged as a contributing partner to this societally-relevant research activity, including in any publications, presentations, and media communications.





City Council Agenda Item Report

FROM: Ryan Cummins, Interim City Manager

MEETING DATE: June 5, 2024

SUBJECT: Waste Services Agreement

DESCRIPTION:

In 2008, the City amended its Garbage and Rubbish Ordinance to provide for a designated contractor to perform certain waste services:

§ 50.08 CONTRACTS.

(A) *Grant of exclusive contract.* The city shall by resolution grant an exclusive, revocable contract to a designated collector, giving it the right, power and authority to collect domestic solid waste, recyclable materials, bulk refuse and yard waste as described herein within the city. The designated collector shall receive no compensation from the city but shall be permitted to enter into private contracts for the collection of solid domestic waste and other services authorized herein.

(B) *Renewal of contract.* Any agreement the city enters into with the designated collector, or renewal extension or amendment thereto, is subject to revocation at the will of the City Council.

The City Council initially selected Chef Container as the contractor. Chef Container later merged with Republic Services. Republic Services has been providing waste management services since.

The current five-year service agreement with Republic Services is set to expire October 1. Options include:

1. Negotiate another extension of the agreement with Republic Services.
2. Seek competitive bids.

It is of note the City of the Village of Douglas sought proposals for waste services in October 2022 and received proposals from Republic Services and Arrowaste. Republic Services was the low bid. Further details can be viewed here:

<https://mccmeetingspublic.blob.core.usgovcloudapi.net/douglasmi-meet-634e74d25fa44dc3a3b8a95ae43c9177/ITEM-Attachment-001-350530753c6c440c9c3529dfe00b4e19.pdf>

Staff is seeking Council feedback on whether you desire a negotiated extension or competitive bidding, as well as what services should be prioritized in an extension or bid request.

LEGAL REVIEW:

Legal reviewed and advised competitive bidding is not required.

SAMPLE MOTION:

Work session item only.

**CITY COUNCIL
CITY OF SAUGATUCK
Allegan County, Michigan**

RESOLUTION NO. 080922-A

**A RESOLUTION TO APPROVE A WASTE SERVICES AGREEMENT WITH
CHEF CONTAINER**

Council Member Hess, offered the following resolution and moved for its adoption, seconded by Council Member Verplank:

WHEREAS, the City of Saugatuck has determined that it is in best interests of the residents of Saugatuck to utilize a single, designated waste services contractor for the collection, transport and disposal of certain domestic waste and other discarded materials; and

WHEREAS, the City has amended its Garbage and Rubbish Ordinance to provide for a designated contractor to perform such services; and

WHEREAS, the City Council has selected Chef Container, LLC ("Contractor") as the designated contractor; and

WHEREAS, the City and Contractor desire to enter into an agreement pertaining to said services.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The City and Contractor agree to enter into the Waste Services Agreement attached and incorporated herein as Exhibit A (the "Agreement").

2. The City Council hereby approves the Agreement.

3. The Mayor is authorized to execute the Agreement and all related documents necessary to effectuate the intent of this Resolution.

4. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this Resolution, are rescinded.

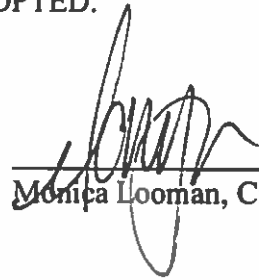
YEAS: Council Members: Hess, Verplank, Bekken, Simon, Spangler, Johnson & Vettori

NAYS: Council Members: None

ABSENT: Council Members: None

RESOLUTION NO. 080922-A DECLARED ADOPTED.

Dated: September 22, 2008

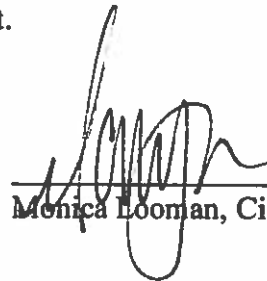


Monica Looman, City Clerk

CERTIFICATION

I, Monica Looman, the duly appointed clerk of the City of Saugatuck do hereby certify the foregoing is a true and complete copy of a resolution adopted by the Saugatuck City Council at a regular meeting held September 22, 2008, in compliance with the Open Meetings Act, Act No. 267 of the Public Acts of Michigan, 1976, as amended, the minutes of the meeting were kept and will be or have been made available as required by said Act.

Attest:



Monica Looman, City Clerk

WASTE SERVICES AGREEMENT

Effective this 22nd day of September, 2008, this Agreement ("Agreement") is made by and between the City of Saugatuck (the "City"), a Michigan municipal corporation with offices located at 102 Butler Street, Saugatuck, MI 49453 and Chef Container, LLC, a Michigan limited liability company, whose address is A-4368 60th Street, Holland Michigan 49423 (the "Contractor").

Recitals

A. The City has amended its Garbage and Rubbish Ordinance, Ordinance No. 080922-1 to provide for a single contractor to collect, transport and dispose of domestic garbage and other refuse materials within the City ("Ordinance"). This Agreement is entered into pursuant to such Ordinance.

B. The City desires to enter into an exclusive, revocable contract with Contractor for the collection, transport and disposal of certain garbage, trash, refuse, recyclable materials and other discarded materials from residences and participating units within the City, all as provided in this Agreement.

C. The Contractor desires to enter into a contract with the City to provide such collection, transportation, disposal and recycling services pursuant to the Contractor's bid proposal, the terms and conditions set forth in the City's Request for Proposal, the Ordinance and provisions of this Agreement (collectively, the "Services").

D. Therefore, in consideration of the mutual covenants and considerations set forth herein, the parties agree as follows:

Agreement

1.0 **Definitions.** All words or phrases not defined herein shall have the same meaning given to such words and phrases by the Ordinance, as may be amended from time to time, which Ordinance is incorporated herein by reference for such purpose.

2.0 **Collection of Domestic Solid Waste, Bulk Refuse, Recyclable Materials and Yard Waste.**

2.01 The Contractor shall collect, transport, and dispose of all Domestic Solid Waste from all Residential Units and other Participating Units within the City subject to the terms of this Agreement and the Ordinance.

2.02 The Contractor shall collect and transport Recyclable Materials, Yard Waste and Bulk Refuse from a Participating Unit upon the request of the owner or occupant of the Participating Unit

and shall deliver the same as follows: Recyclable Materials shall be delivered to an appropriate recycling facility; Yard Waste shall be delivered to an appropriate disposal, recycling, or composting facility; and Bulk Refuse shall be delivered to a properly licensed solid waste disposal facility. The Contractor shall be solely responsible to bill and collect its charges for such services from such owners or occupants.

2.03 The Contractor shall enter the Premises of a Participating Unit upon request by the owner or occupant in order to collect Domestic Solid Waste, Bulk Refuse, Recyclable Materials and/or Yard Waste from a designated location ("Rear Yard Service"). The designated location shall be outdoors and readily accessible. Rear Yard Service includes returning empty Refuse, Recyclable Material, and Yard Waste Containers to the designated location. Participating Units shall pay an additional charge for Rear Yard Service.

2.04 The Contractor shall provide the Services in a uniform manner to all Participating Units. If the Contractor requires owners or occupants of Participating Units to enter into a written agreement for any Service provided, Contractor shall do so using a written agreement which comports with this Agreement and the Ordinance and has been approved by the City.

2.05 The Contractor agrees that all Services provided herein, including without limitation collection, transportation, and disposal activities shall be conducted in accordance with applicable Michigan and federal laws and all ordinances, rules, and regulations of the City.

2.06 The Contractor agrees that all Domestic Solid Waste, Yard Waste and Bulk Refuse collected pursuant to this Agreement shall be disposed of only in licensed landfills and in accordance with all applicable Michigan and federal law and regulations and all ordinances, and regulations of the City. The Contractor agrees that all Recyclable Materials shall be prepared for and delivered to a secondary market (which may include a lawfully operating recycling facility) in accordance with all applicable Michigan and federal law and regulations and all ordinances and regulations of the City. The Contractor shall obtain and maintain all licenses, permits or other approvals required by law to perform its Services pursuant to this Agreement.

2.07 The Contractor shall defend, indemnify, and save harmless the City, and its departments, public officials and officers, agents, and employees from and against any fine, penalty, costs, or other charge (including without limitation, court costs and attorney fees) arising out of or in connection with the Contractor's Services or its failure to comply with all applicable laws, rules, and regulations governing the collection, transportation and delivery of all Domestic Solid Waste and other materials collected pursuant to this Agreement. Upon request of the City, the Contractor shall provide written documentation evidencing proper transportation and disposal of all materials collected by the Contractor pursuant to this Agreement. The Contractor's duties and obligations under this Section shall survive the expiration or termination of this Agreement.

2.08 During the term of this Agreement, unless earlier terminated in accordance with the provisions hereof, the Contractor shall have the exclusive, revocable right to provide the Services to Participating Units in the City.

3.0 Collection Schedule; Publication of Notice.

3.01 Regular collection shall take place each Monday morning no earlier than 7:00 a.m., except in the event of an emergency when so authorized by the City Manager. All collection and route schedules and amendments thereto are subject to the prior written approval of the City Manager.

3.02 Regular collection shall not take place on a holiday. In the event a holiday falls on a Monday, the collection service day that week will be on Tuesday. If the holiday falls on any other day, the collection service day will remain unchanged. For purposes of this Section 3, 'holiday' means New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas Day.

3.03 The Contractor shall make no changes to its schedules or operation affecting the City without receiving written approval from the City Manager at least thirty (30) days prior to the implementation of such a change. The Contractor shall assist the City, either financially or in a manner acceptable to the City, with the dissemination of notices to residents of the changes.

3.04 The Contractor shall offer Yard Waste collection service within the City at a minimum of 4 pick-ups per months from April 1 through November 30. If the volume of Yard Waste collected increases enough, as reasonably determined by the City, to warrant additional pickups, the City shall coordinate the date with the Contractor. The Contractor shall monitor and keep record of the number of yard waste containers being collected. This information shall be made available to the City upon request.

4.0 Containers; Method of Collection.

4.01 The Contractor, at its own expense, shall provide Participating Units with the following:

- 1) 32 or 96 gallon solid waste container(s) that are clean, watertight, and insect and vermin proof ("Refuse Containers");
- 2) 96 gallon containers for Yard Waste ("Yard Waste Containers"); and
- 3) Recyclable Materials containers in such quantities as may be requested by the owner or occupant.

The Contractor shall not be required to collect any Domestic Solid Waste if not properly contained in a Refuse Container. The Contractor agrees that a trash bag up to 32 gallons and containing up to 50 pounds of Domestic Solid Waste may be placed in a Refuse Container. Further, Contractor agrees that a 96 gallon Refuse Container may contain up to 250 pounds of Domestic Solid Waste. The Contractor shall not be required to collect any Yard Waste not properly contained in a Yard Waste Container.

4.02 Containers damaged through the negligence or carelessness of the owner or occupant of a Participating Unit shall be replaced by the Contractor and the cost thereof may be charged to the owner or occupant. The Contractor will replace, at its own expense and at no cost to the owner or occupant of a Participating Unit, Containers which are stolen, which have been damaged by the Contractor's vehicles or which become damaged or unusable through normal wear and tear.

5.0 Further Obligations of the Contractor.

5.01 The Contractor shall provide safe, clean, compaction type collection trucks displaying Contractor's name. All equipment used by the Contractor shall be maintained in a safe and reasonably clean condition at all times, and operated and in a manner which does not create a nuisance. Collection trucks shall not be parked on City streets except as is reasonably necessary in connection with the provision of Services. Collection trucks of an appropriate size shall be used to provide Services on streets that are narrower than typical city streets, including but not limited to Vine Street, Lakeview Drive and Shorewood Drive.

5.02 All facilities, vehicles, and equipment used by Contractor shall meet all federal and state of Michigan requirements for safety and sanitation. The Contractor shall maintain an adequate number of vehicles and employees to provide the Services.

5.03 The Contractor shall comply with all Michigan and federal laws, regulations and executive orders relating to hiring, hours of work, manner of pay, workers' compensation and unemployment benefits.

5.04 The Contractor shall hire and pay its employees as employees of the Contractor. Persons hired by the Contractor shall not be deemed to be employees of or otherwise in any joint venture or other relationship with the City.

5.05 The Contractor shall be responsible for, and the City shall bear no responsibility for, the assessment, billing, processing, and the collection of all charges imposed by the Contractor upon Participating Units. The Contractor may use only lawful means of collecting or attempting to collect delinquent charges owed by the owner or occupant of a Participating Unit. If the Contractor suspends Services to a Participating Unit as a result of nonpayment of charges due to the Contractor, the Contractor shall notify the City Manager seven (7) days prior to the suspension of service and shall provide written justification for the suspension of service.

6.0 Service Investigation and Complaints.

6.01 The Contractor shall maintain an adequately staffed office and regular office hours for the receipt of service calls, questions and complaints regarding the Services. The Contractor agrees to maintain regular contact with the City for the purpose of receiving and responding to such questions and complaints.

6.02 The Contractor agrees to record all complaints and requests for investigations received at its designated office or at the City Administrative Offices on a service investigation form

acceptable to the City Manager. The service investigation form shall indicate the date and time the complaint or request for investigation was received, the date and time the Contractor was notified if such complaint or request for investigation was received by the City, the name, address, and telephone number of the complainant, and the nature of the complaint or investigation. The Contractor shall retain two (2) copies of the service investigation form and shall supply one (1) copy to the City Manager or his or her designee. The Contractor agrees to provide service investigation forms at its own expense.

6.03 Upon receipt of a complaint or request for investigation, Contractor agrees to promptly investigate the incident and take such corrective action as is necessary to comply with its obligations under this Agreement, and all ordinances, rules, and regulations of the City. When the Contractor is at fault due to its negligence or carelessness, and the Contractor receives notice of the complaint by 3:00 p.m., corrective action shall be taken within twenty-four (24) hours after the Contractor is notified of the incident. If the Contractor receives notice of the complaint after 3:00 p.m., corrective action shall be taken within forty-eight (48) hours after the Contractor is notified of the incident. In the event of a difference of opinion as to the validity of the complaint or the fault or responsibility of the Contractor, the decision of the City Manager shall be binding on the Contractor.

6.04 Upon completion of its investigation and the taking of corrective action as required by this Section, the Contractor agrees to record the nature of the corrective action taken and the date and time of such action on the remaining two (2) copies of the service investigation form in its possession. The Contractor shall retain one (1) copy of the completed service investigation form and deliver the remaining one (1) copy to the City Manager or his or her designee.

7.0 Obligations of the City.

7.01 The City shall provide to the Contractor a list of Residential Units within the City.

7.02 The City shall notify Participating Units, except for Participating Units receiving Rear Yard Service, to place Refuse Containers, Recyclable Material containers, Bulk Refuse and other items to be collected by Contractor at the front of the curb line of the Participating Unit in plain view of the roadways.

8.0 Compensation.

8.01 The Contractor shall directly bill each Participating Unit for the collection of Domestic Solid Waste, Rear Yard Service and Yard Waste in the amounts set forth in the rate sheet incorporated herein and attached as Exhibit A. The Contractor shall not charge Participating Units for the collection and disposal of Recyclable Materials.

8.02 The Contractor shall be entitled to compensation for collecting Bulk Refuse in such amounts as it typically charges, as agreed by the Participating Unit.

8.03 Participating Units shall be offered various payment options for Services, including

payment by credit or debit cards.

8.04 The compensation set forth in this Section 8 shall be the only compensation paid to the Contractor for Services performed under this Agreement.

9.0 Hold Harmless; Insurance; Letter of Credit.

9.01 The Contractor agrees to defend, indemnify, and hold harmless the City, and its departments, public officials and officers, agents, and employees from and against any and all loss, expense, damage, charge, claim, liability, demand and cost (including without limitation, court costs and attorney fees) for injury to or death of persons, or injury to or destruction of property suffered or alleged to have been suffered, arising out of or in connection with the Agreement or any act or omission of the Contractor or any agent or employee of the Contractor in the course of the performance of the work provided in this Agreement or to the Participating Units. The Contractor's obligations under this Section shall survive the expiration or termination of this Agreement.

9.02 Except for hazardous or toxic substances necessary for the operation of vehicles and office equipment used by the Contractor in the ordinary course of business, the Contractor shall not cause or permit any hazardous or toxic substances to be released, stored, produced, emitted, disposed of or used in connection with the Agreement or any act or omission of the Contractor or any agent or employee of the Contractor in the course of the performance of the Services provided per this Agreement or to the Participating Units. As used in this section, the term "hazardous or toxic substance or material" shall include, but not be limited to, any material or substance which is deemed a hazardous substance pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 USCA §9661 et seq. as amended, or pursuant to the Michigan Natural Resources and Environmental Protection Act, MCLA 324.101, et seq. as amended, and rules and regulations promulgated under either Act. The Contractor shall hold the City harmless from, indemnify it for, and defend it against any and all cost, claims, losses, liability, damages, administrative and criminal proceedings, or other actions as a result of the Contractor's breach of such condition; provided, however, that in no event shall the Contractor have any liability to the City, under this Section or otherwise, solely as a result of the unlawful act or omission of the owner or occupant of a Participating Unit. The Contractor's obligations under this Section shall survive the expiration or termination of this Agreement.

9.03 The Contractor shall secure and maintain, for the duration of the term of this Agreement, workers' compensation insurance, environmental liability insurance, and general liability insurance for bodily injury and property damage in an amount not less than \$1,000,000 per person and \$2,000,000 per occurrence for bodily injury, and not less than \$500,000 per occurrence for property damage. Any policy maintained to satisfy this requirement shall be placed with insurance carriers fully licensed and authorized to do business in the state of Michigan. The City, its departments, public officials and officers, employees, and agents shall be additional named insureds on all such policies of insurance. The Contractor shall deliver said policies or certificates of insurance to the City.

9.04 In order to secure the faithful performance of this Agreement by the Contractor, no

later than the effective date of this Agreement the Contractor shall deliver to the City an irrevocable and unconditional letter of credit acceptable to the City naming the City as payee in the amount of \$10,000.

10.0 Nonperformance.

10.01 In the event that the Contractor shall fail, neglect, or refuse to perform any or all of its duties, obligations, or responsibilities under this Agreement, the City may, after five (5) days written notice to the Contractor, perform such duties, obligations, or agreements, or have such duties, obligations, or agreements performed and charge all costs thereof to the Contractor, and the Contractor shall pay all of said costs to the City. The City may also draw on the letter of credit provided under Section 9.04 of this Agreement to defray such costs. If such failure, neglect, or refusal continues for 30 days after such written notice, the City shall exercise its right of termination under Section 11.01 of this Agreement, and pursue any and all legal remedies to which it may be entitled.

11.0 Right of Termination; Notice.

11.01 The City and Contractor shall have the right to terminate this Agreement in the event of a material breach by the other party of any of the covenants, terms, or conditions of this Agreement and such material breach or nonperformance continues for a period of 30 days after written notice of such material breach or nonperformance is provided to the other party.

11.02 The City shall have the right to immediately terminate this Agreement in the event that the Contractor ceases operation of its business by reason of insolvency, bankruptcy, or similar proceeding, whether voluntary or involuntary, or for any other reason.

11.03 The City shall have the right to immediately terminate this Agreement in the event Contractor fails to obtain or maintain any licenses, permits or other approvals required to provide the Services or fulfill its obligations under this Agreement.

11.04 The City shall have the right to immediately terminate this Agreement in the event Contractor is in default to the City.

11.05 In the event of a termination under Section 11.01, 11.02, 11.03 or 11.04 by the City, the Contractor shall be liable to the City for any damages the City sustains by virtue of Contractor's breach of this Agreement and any reasonable costs the City might incur in enforcing or attempting to enforce this Agreement, or in finding alternative methods for carrying out the purposes and covenants of this Agreement including reasonable attorney fees. It is expressly understood that Contractor shall remain liable to the City for any damages the City may sustain in excess of any set-off. The City reserves the right to collect such damages, recover attorney fees and pursue specific performance regarding the administration of this Agreement. The City acknowledges its obligation, in the event of a termination of this Agreement, to mitigate its damages by engaging a different contractor to render the Services as soon as reasonably practicable after the date of termination.

11.06 In addition to any other remedies available under this Agreement or at law or equity, the prevailing party in any lawsuit between the City and the Contractor to enforce any provision of this Agreement may recover its actual reasonable costs, including without limitation, attorneys fees and other legal expenses incurred to investigate, bring, maintain, or defend any action from its first accrual or first notice thereof through any and all appellate and collection proceedings. To the extent not otherwise prohibited by law, the parties agree that the jurisdiction and venue for any action brought pursuant to or to enforce any provision of this Agreement shall be exclusively in the state courts in Allegan County, Michigan.

11.07 In the event of a termination of the Agreement, Contractor agrees to use its best efforts to transition the Services to a new contractor in order for Participating Units receive continuous and uninterrupted service.

12.0 Assignment. The Contractor shall neither assign nor subcontract this Agreement or any part thereof, to any person, firm, or organization unless said assignment or subcontract is first approved in writing by the City. The Contractor agrees that such written approval may be granted or withheld in the sole discretion of the City. Any attempt to assign this Agreement without prior approval shall render the Agreement null and void.

13.0 The Term of Agreement.

13.01 The term of this Agreement shall be from October 1, 2008 through September 30, 2013.

14.0 Miscellaneous Provisions.

14.01 The terms of this Agreement may be modified, changed, or altered upon the mutual written agreement of the Contractor and the City. No such amendment shall be effective or binding unless it expressly makes reference to this Agreement, is in writing, and is signed by the Contractor and duly authorized representatives of the City.

14.02 Neither the City nor the Contractor shall be considered or construed as the agent of the other, nor shall either party have the right to bind the other in any manner whatsoever, and this Agreement shall not be construed as a contract of agency.

14.03 This Agreement shall be governed in all respects, whether as to validity, construction, performance or otherwise, by the laws of the State of Michigan.

14.04 If any paragraph, section, clause, or provision of this Agreement be ruled invalid or unenforceable by any court of competent jurisdiction, the validity or unenforceability of such paragraph, section, clause, or provision shall not affect the validity of any and all remaining paragraphs, sections, clauses, or provisions.

14.05 All notices, approvals, consents, requests, demands, or formal actions hereunder shall be in writing and mailed or delivered to the following addresses:

**Rates for City of Saugatuck Collection and Disposal of
Rubbish/Refuse/Garbage and Collection and Recycling of
Recyclable Materials**

2008-2013

Monthly Service Rate per Residential Customer For 12 Months

There is a discounted annual rate for residents that pay for refuse service a year in advance

	Year 1	Year 2	Year 3	Year 4	Year 5
Pickup Frequency	2008 - 2009	2009 - 2010	2010 - 2011	2011-2012	2012-2013
32 GAL WEEKLY (curbside)	\$ 9.65	\$ 9.89	\$ 10.14	\$ 10.39	\$ 10.65
96 GAL WEEKLY (curbside)	\$ 10.77	\$ 11.04	\$ 11.32	\$ 11.60	\$ 11.89
REAR YARD P/UP (additional cost)	\$ 7.50	\$ 7.69	\$ 7.88	\$ 8.08	\$ 8.28
YARD WASTE (April thru November)	\$ 110.00	\$ 112.75	\$ 115.57	\$ 118.46	\$ 121.42

NOTE: Prices are based on current fuels costs ranging from \$4.50-\$5.00 per gallon for diesel.

Services billed direct to residents



*** Seasonal trash service is available for a minimum period of six months. Seasonal service must be paid in advance.

A simple cost effective solution to recycling and refuse management.

ADDENDUM TO
WASTE SERVICES AGREEMENT

THIS ADDENDUM TO WASTE SERVICES AGREEMENT ("Addendum") is dated this 22nd day of July, 2013 between the City of Saugatuck, a Michigan municipal corporation ("City") and Chef Container, LLC, a Michigan limited liability company ("Contractor")(City and Contractor referred to collectively herein as the "Parties").

RECITALS

A. The City and Contractor entered into a Waste Services Agreement dated September 22, 2008 ("Agreement"), whereby the City authorized the Contractor to provides domestic solid waste, recycling, bulk refuse and yard waste collection services in the City ("Services").

B. The Agreement terminates without further action of the Parties on September 30, 2013.

C. The Parties desire to extend the Agreement's term and make adjustments to account for the new term through the adoption of this Addendum. It is the Parties' intent that, but for the matters referenced in the Addendum, the terms and provisions of the Agreement are to remain in effect and binding on the Parties.

NOW, THEREFORE, for valid consideration, the sufficiency of which is acknowledged, the Parties agree:

AGREEMENT

1. Statement of Purpose. This Addendum amends and is incorporated into the Agreement. This Addendum and the Agreement together constitute the complete agreement between the Parties regarding the subject matters of the Agreement.

2. Amendment of Sections 13.0 and 13.01. Sections 13.0 and 13.01 of the Agreement shall be combined and amended to provide in their entirety as follows:

13.0 The Term of Agreement. The term of the Agreement as amended by the Addendum shall be from October 1, 2013 through September 30, 2018.

3. Addition of Section 11.08. A new Section 11.08 shall be added to the Agreement to provide in its entirety as follows:

11.08 The parties shall have the ability to immediately terminate this Agreement as permitted by federal, state or local law.

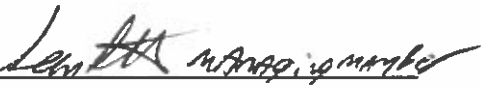
4. Substitution of Exhibit A. Exhibit A to the Agreement, entitled "Rate Sheet," is replaced and superseded in its entirety by the attachment to this Addendum marked "Exhibit A" (entitled "Rate Sheet").

5. Superseding Provisions. If any term, obligation or right provided for in this Addendum conflicts with the Agreement, this Addendum will control and the conflicting term or provision contained in the Agreement will be treated as if it had been deleted prior to the execution of the Agreement and in all other respects the remainder of the Agreement will continue in full force and effect.

6. Counterparts and Reproductions. This Addendum may be executed in two or more counterparts, each of which will be deemed an original but all of which will constitute one instrument. Executed facsimile or other electronic transmissions of this Addendum will be deemed originals.

The parties have executed this Addendum as of the date first indicated above.

CHEF CONTAINER, LLC

By: 
Its: _____

CITY OF SAUGATUCK

By: 
Its: 
By: 
Its: 

Second Addendum To
Waste Services Agreement

This Second Addendum to Waste Services Agreement is dated this 24th day of September, 2018 between the City of Saugatuck, a Michigan municipal corporation ("City") and Allied Waste Systems Inc. DBA Republic Services of Holland ("successor of Chef Container, LLC") ("Contractor"). City and Contractor referred to collectively herein as the "Parties".

The City and Contractor entered into a Waste Services Agreement dated September 27th 2008, whereby the City authorized the Contractor to provide domestic solid waste, bulk refuse, and yard waste collection services in the City. In July 2013 the parties extended the agreement through September 30, 2018.

Now, therefore, for valid consideration, the sufficiency of which is acknowledged, the Parties agree to the Second Addendum to extend the Waste Services Agreement from September 30, 2018 through December 31, 2018 at current rates.

All other provisions of the Waste Services Agreement shall remain in full force and effect.

The Parties have executed this Second Addendum to the Waste Services Agreement as of the date first indicated above.

Allied Waste Systems Inc

By: Tadd

Its: General Manager

CITY OF SAUGATUCK

By: Ken Trester

Ken Trester

Its: Mayor

By: Monica Nagel

Monica Nagel

Its: City Clerk

Third Addendum To
Waste Services Agreement

This Third Addendum to Waste Services Agreement is dated this 26th day of December, 2018 between the City of Saugatuck, a Michigan municipal corporation ("City") and Allied Waste Systems Inc. DBA Republic Services of Jenison ("successor of Chef Container, LLC") ("Contractor"). City and Contractor referred to collectively herein as the "Parties".

The City and Contractor entered into a Waste Services Agreement dated September 27th 2008, whereby the City authorized the Contractor to provide domestic solid waste, bulk refuse, and yard waste collection services in the City. In July 2013 the parties extended the agreement through September 30, 2018. In September 2018 the parties extended the agreement through December 31, 2018.

Now, therefore, for valid consideration, the sufficiency of which is acknowledged, the Parties agree to the third Addendum to extend the Waste Services Agreement from January 1, 2019 through March 31, 2019 at current rates.

All other provisions of the Waste Services Agreement shall remain in full force and effect.

The Parties have executed this Second Addendum to the Waste Services Agreement as of the date first indicated above.

REPUBLIC SERVICES INC

By: Talbot

Its: General Manager

CITY OF SAUGATUCK

By: KG Trester

Ken Trester

Its: Mayor

By: Monica Nagel

Monica Nagel

Its: City Clerk

AMENDMENT TO WASTE SERVICES AGREEMENT

Effective this 26 day of August, 2019, this Amendment to Waste Services Agreement ("Amendment") is made by and between the City of Saugatuck (the "City"), a Michigan municipal corporation with offices located at 102 Butler St., Saugatuck, MI 49453 and Allied Waste Services, Inc., DBA Republic Services of Holland (the "Contractor"), a Delaware corporation with offices located at 4368 60th Street Holland, MI 49423.

RECITALS

- A. On or about September 22, 2008 the City and Chef Container, LLC entered into a Waste Services Agreement for the exclusive collection, transfer and disposal of certain garbage and trash and recyclable materials from residences and participating units within the City. A copy of the Agreement is attached as Exhibit A (the "Agreement").
- B. In 2018, with the City's consent and approval, the Chef Container's rights and obligations under the Agreement were assigned to and accepted by the Contractor.
- C. The Contractor has requested that the City amend the Agreement to extend the current term and to add other provisions and the City is amenable to the same consistent with the terms and conditions of this Amendment.
- D. It is the intention of the parties that except as expressly set forth in this Amendment, all terms and conditions of the Agreement shall remain binding and in effect.
- E. The City Council has concluded that entering into this Amendment is in the best interest of the City and its residents and that the City wishes to take advantage of favorable pricing offered by the Contractor.

AGREEMENT

Now, therefore, for good and valuable consideration in and referred to herein, the sufficiency of which is acknowledged, the parties agree as follows:

- I. Amendment of Section 2.02. Section 2.02 of the Agreement is amended to read in full as follows:

The Contractor shall collect and transport Yard Waste and Bulk Refuse from a Participating Unit upon the request of the owner or occupant of the Participating Unit and shall collect and transport Recyclable Materials one time every four weeks upon request and shall deliver the same as follows: Recyclable Materials shall be delivered to an appropriate recycling facility; Yard Waste shall be delivered to an appropriate disposal, recycling, or composting facility; and Bulk Refuse shall be delivered to a properly licensed solid waste disposal facility. The

Contractor shall be solely responsible to bill and collect its charges for such services from such owners or occupants.

2. Amendment of Section 4.01. Section 4.01 of the Agreement is amended to read in full as follows:

The Contractor, at its own expense, shall provide Participating Units with the following:

- 1) 32 or 95 gallon solid waste container(s) that are clean, watertight, and insect and vermin proof (Refuse Containers”);
- 2) 95 gallon container for Yard Waste (“Yard Waste Containers”); and,
- 3) 95 gallon container for Recyclable Materials.

The Contractor shall not be required to collect any Domestic Solid Waste if not properly contained in a Refuse Container. The Contractor agrees that a trash bag up to 32 gallons and containing up to 50 pounds of Domestic Solid Waste may be placed in a Refuse Container. Further, Contractor agrees that a 95 gallon Refuse Container may contain up to 250 pounds of Domestic Solid Waste. The Contractor shall not be required to collect any Yard Waste not properly contained in a Yard Waste Container.

3. Amendment of Section 8.01. Section 8.01 of the Agreement is amended to read in full as follows:

The Contractor shall directly bill each Participating Unit for the collection of Domestic Solid Waste, Rear Yard Service and Yard Waste in the amounts set forth in the Rate Sheet attached to this Amendment and marked as Exhibit A-1. The Contractor shall not charge Participating Units for the collection and disposal of Recyclable Materials. Notwithstanding the foregoing, in the event of changes in the costs of processing recyclables at the Kent County Material Recycling Facility (\$70.00 per ton as of June 1, 2019), actual cost increases beyond this amount may be passed thru on the Contractor’s monthly invoice. This processing cost is subject to change with official documentation from the Material Recycling Facility to be secured and provided by the Contractor to the City to validate any increase. Likewise, Contractor must decrease processing costs if they are reduced by the processing facility. Changes will be reflected in the following month’s invoices (example: May increase/decrease reflected in June’s invoice).

4. Addition of Section 8.05. Section 8.05 is added to the Agreement to read in full as follows:

The Rates charged pursuant to the Rate Sheet may, upon thirty (30) days written notice, be increased due to actual additional taxes, charges, surcharges, and/or

fees imposed by governmental authorities on the Contractor, the Collection Service or the Disposal Site following the date hereof, or due to laws, regulations or ordinances which are adopted or changed (including a change in interpretation or enforcement) following the date hereof, which have the actual effect of increasing the provision of the Collection Services or the costs to the Disposal Site, whether prospectively or retroactively, to the Contractor. The term "Rate" as used in the Agreement may include a requested adjustment made pursuant to the immediately preceding sentence. The Contractor shall not be entitled to any increase to the Rate associated with its violations of law, regulations, ordinances, or permit conditions.

5. Addition of Section 11.08. Section 11.08 is added to the Agreement to read in full as follows:

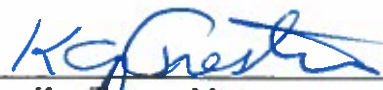
Notwithstanding any provision to the contrary herein, the City shall have the right to terminate the Agreement in its sole discretion upon first providing the Contractor with not less than 90 days' prior written notice.

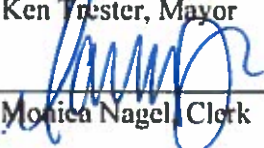
6. Amendment of Section 13.01. Section 13.01 of the Agreement is amended to read in full as follows:

The term of this Agreement as amended shall be from October 1, 2019 until October 1, 2024.

7. Remainder of Agreement in Effect. Except as expressly set forth in this Amendment, all original terms and conditions in the Agreement shall remain binding on the parties and in full force and effect.

CITY OF SAUGATUCK

By: 
Ken Trester, Mayor

By: 
Monica Nagel, Clerk

REPUBLIC SERVICES OF HOLLAND

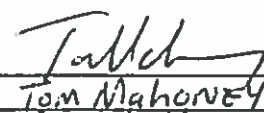
By: 
Tom Mahoney
Its: General Manager



**Exhibit A
Rate Sheet
Effective October 1, 2019**

Rates for City of Saugatuck Collection and Disposal of Rubbish/Refuse/Garbage and Collection and Recycling of Recyclable Materials.					
2019-2024					
Monthly Service Rate per Residential Customer for 12-Months					
Pickup Frequency	Year 1 2019-2020	Year 2 2020-2021	Year 3 2021-2022	Year 4 2022-2023	Year 5 2023-2024
32 GAL WEEKLY (Curbside)	\$ 12.47	\$ 12.91	\$ 13.36	\$ 13.83	\$ 14.31
36 GAL WEEKLY (Curbside)	\$ 13.92	\$ 14.41	\$ 14.91	\$ 15.43	\$ 15.97
REAR YARD P/UP (Additional Cost)	\$ 9.70	\$ 10.04	\$ 10.39	\$ 10.75	\$ 11.12
YARD WASTE (April thru November)	\$ 147.19	\$ 147.17	\$ 157.32	\$ 157.65	\$ 161.17
96 GAL RECYCLE (1x Every 4 Weeks)	Included	Included	Included	Included	Included

Notes: Prices are based on current fuel cost based on \$4.75 per gallon for diesel

*** Seasonal trash service is available for a minimum period of six months.
Seasonal service must be paid in advance.*



City Council Agenda Item Report

FROM: Ryan Cummins, Interim City Manager

MEETING DATE: June 5, 2024

SUBJECT: Start Times for Council Meetings

DESCRIPTION:

In early 2023, City Council discussed whether to change the 7p start time for regular Council meetings. At that time, no changes were made.

The Mayor and Mayor Pro Tem have requested another discussion of whether to start regular Council meetings sooner.

The City's Historic District Commission holds their regular meetings at 6p.

The cities of Holland and Fennville hold their regular meetings at 6p. Saugatuck Township does as well. Laketown Township holds one regular meeting at 6p and a second at 3p.

The City of the Village of Douglas starts at 7p.

LEGAL REVIEW:

N/A at this time.

SAMPLE MOTION:

Work session item at this time.

How to Increase Saugatuck Area Tourism in Spring and Fall

By Jeff Scott, Co-Owner, The Owl House

Saugatuck and Douglas are known as the “Art Coast” of Michigan, and many tourists come to enjoy the natural beauty of the lakes and rivers, as well as the small-town ambiance, historic architecture, diversity-inclusive attitude, and artist community. However, business owners and workers suffer from the economic limitation of a short summer. For businesses involved in lodging, restaurants and retail, it is extraordinarily difficult to survive on a three-month busy season and a nine-month slow season. Business expenses for mortgages, rents, utilities and wages remain year-round. Many businesses close for the off-season because revenues plummet and paying workers to stay open would be just one more expense. Workers suffer seasonal income loss from reduced hours, tips, and lay-offs.

However, one important reason people don’t visit as much in spring and fall is because so many shops are closed. We have been stuck in this dilemma for decades. It is fair to say that everyone in our community recognizes these issues, but we have not yet found ways to attract more visitors in the “shoulder seasons” of March, April and May, and September through December.

I currently co-own, with Fran Mervau, The Owl House gift shop, on Butler Street in Saugatuck, which is in our tenth year of business. I am not well-known in Saugatuck, but I grew up in Holland and have been around Saugatuck since the 1960s. I remember when the Pavilion burned. I climbed sand dunes and Baldhead, swam in the Oxbow, surfed on Lake Michigan, and ate smoked chubs from the commercial fisherman on Water Street. I appreciate the heritage of this beautiful area. As an adult, I lived in multiple other states, including Hawaii, and I fully appreciate the qualities that are so special to the Saugatuck and Douglas area.

We need to create a reason for tourists to visit in the shoulder seasons. Our target should not only be out-of-state visitors, but also from Grand Rapids, Kalamazoo and the rest of Michigan. What experiences can we offer that will motivate people for day trips and longer stays?

A Proposed Solution: After long, gray winters, people long to get outdoors and see signs of spring. After dreary winter, we want to see and feel Life -- and spring flowers elicit happiness, joy and hope. What can that look like? Take a look at my shop this April:





This is just a small-scale demonstration of what downtown Saugatuck and Douglas could look like in April. At the end of winter, a large display of color and life is noticed and appreciated. Enthusiastic feedback from our (too few) visitors has been overwhelming. Everyone I asked said large plantings of flowers would be a tremendous reason to visit Saugatuck in spring.

Flower plantings can continue from late March and April through the end of October, and into November. Imagine many large planters along sidewalks and hanging baskets bursting with vibrant color. Instead of removing pots of flowers after Labor Day, they can be left until frost. Additional cold-tolerant flowers like garden mums, asters, pansies and ornamental kale can bloom into November. I believe this has the potential to transform Saugatuck and Douglas from empty streets to crowds of visitors.

The summer flower pots planted by the Saugatuck and Douglas Garden Club are greatly appreciated. That activity should be continued, but it alone is not enough. We need to expand the scale and effort by at least 20 or 30 times and extend through the spring and fall seasons. A large effort is required to produce a large result, and it won't all happen in just one season or year. It will take a concerted effort over multiple years to grow, promote and build a reputation.

The flower displays provide a foundation for additional activities like special events. A Spring Fest in mid-April and a Fall Fest at Halloween can be additional reasons for visitors to experience the Saugatuck and Douglas area. The Douglas Halloween Parade already has a dedicated public following, and we can build on that.

Clearly, this effort will require financial support. There are multiple organizational, logistical, labor and financial elements that need to be addressed. Cooperation by multiple organizations, such as CVB, The Saugatuck Garden Club, the city councils of Saugatuck and Douglas and others will be important. Now is the time for you to engage and participate in creating a spectacular display in downtown Saugatuck and Douglas. A beautiful community is beneficial to residents and good for business.

Please call me at (808) 772-3833 or email The Owl House at TheOwlHouseSaugatuck@yahoo.com

Thank you, and let's do it!

Jeff Scott, Ph.D.

(retired horticulture professor and agricultural scientist)

