



CITY COUNCIL WORKSHOP MEETING MINUTES

February 5, 2025

The City Council met for a Workshop Meeting at 4:00 p.m.
City Hall
102 Butler St., Saugatuck, MI 49453.

Call to Order:

The meeting was called to order by Mayor Anderson at 4:00 p.m.

Attendance:

Present: Mayor Anderson, Mayor Pro-Tem Stanton and Councilmembers Clark, Gardner, Muncey and Peterson.

Absent: Dean.

Motion by Stanton, second by Clark to excuse Scott Dean from the meeting. Via voice vote, motion carried 6-0.

Others Present: City Manager Cummins, Zoning Director Thompson, DPW Superintendent Herbert, Attorney Patterson, Attorney Mills, and Clerk Wolters.

Agenda Changes:

Motion by Stanton, second by Clark to change the agenda from Item 6f to item 6b. Via voice vote, motion carried 6-0.

Guest Speakers: None.

Public Comment on Agenda Items Only: None.

Discussion Items:

Continued Ethics Policy Review:

Attorney Mills provided a redline draft of proposed amendments to the City's Policy on Ethical Standards of Conduct at the January 8, 2025, workshop. Council members were expected to review the draft and discuss it further at the February 4 workshop while submitting any additional changes, questions, or comments to the Manager, Mayor, and Mills. However, only one council member provided feedback. Due to the lack of collective support for significant modifications, Mills opted to present the received comments as discussion points rather than making direct edits to the draft. The feedback included:

- **General Commentary:** The council member acknowledged that the policy's intent was solid but emphasized the need for a formal written procedure for implementation. They also suggested

establishing core ethical principles for employees, officials, and vendors, including guidelines on social media and communication methods such as email and public meeting comments.

- **Annual Acknowledgment:** Mills highlighted that the new Part A(6) mandates annual circulation of the policy along with a signed acknowledgment, which remains included in the draft.
- **Ethical Complaint Resolution (Part B):** The council member recommended:
 - A defined step-by-step process for self-reporting.
 - Further discussion on the resolution process, including the potential use of a reporting form or a third-party contractor to handle complaints and investigations, aiming to mitigate concerns of retaliation, favoritism, or inadequate follow-up.

Mills left these points open for council discussion, reaffirming that the policy remains fundamentally strong, with any additional refinements dependent on council consensus.

Review of Goals and Priorities for Fiscal Year 2025/2026

City Manager Cummins summarized the strategic planning meeting held on January 24, which included council members, staff, and facilitator Marilyn. The meeting covered accomplishments to date, current fiscal year goals, team collaboration strategies, and priorities likely to extend into the next fiscal year. Marilyn prepared a comprehensive report summarizing the discussions, incorporating council's prior vision, key goal areas, and identified priorities into a concise one-page document. The packet also includes a refresher on survey results to aid further discussion. Cummins emphasized the need for council to continue refining the goals and priorities, determining if any should be added or removed. Once finalized, staff would like to present the priorities for formal approval at a regular meeting to facilitate budget planning for the next fiscal year.

Stanton left meeting at 5:20 p.m.

Muncey left meeting at 5:20 p.m.

Oval Beach Concessions Request for Proposals:

DPW Superintendent Scott Herbert acknowledged the ongoing challenges the city has faced in managing Oval Beach and its concession stand. He noted that filling the beach manager role has been particularly difficult, especially since the long-term manager, who had served for nearly a decade, resigned just before the summer of 2022. Since then, turnover in the position has been a major struggle. Regarding the 2024 season, Herbert expressed disappointment in the concession's projected financial numbers but emphasized that he and the current manager have developed a plan with staffing adjustments. He mentioned that pricing strategies, including guidance from suppliers like Gordon Food Service, would be part of the approach to improving profitability. While the details of these adjustments were not fully disclosed, he stated that they are designed to create long-term stability. If these plans do not yield the desired results, he suggested revisiting the possibility of issuing an RFP to seek outside assistance.

Amendments to Code of Ordinances - Purchasing Ordinance:

City Manager, Ryan Cummins discussed the challenges encountered with the city's purchasing ordinance, which was last updated in 2009. During his time as interim manager, he worked closely with the Department of Public Works and identified various inefficiencies in the existing policy, particularly regarding the \$10,000 threshold for requiring competitive bidding. Cummins acknowledged that while competitive bidding is valuable, it can also be a cumbersome process that requires extensive bid packages, engineering time, and staff resources. In some cases, the cost and effort of preparing a bid package may outweigh the benefits, especially for relatively small projects. He cited an example

involving street painting, where a well-priced vendor had previously been selected, but ambiguity in the existing policy created uncertainty about whether the city could continue using that contractor after the contract expired. In response, Cummins and his team reviewed policies from other communities, noting that Douglas had a \$20,000 bidding threshold since 2010. They also considered alternative procurement methods, such as using the state's MiDEAL program for equipment purchases and an auction process for disposing of surplus DPW property. Additionally, they identified the need for emergency spending provisions, as the current ordinance lacks a clear process for addressing urgent public health or safety issues outside of regular council meetings.

After reviewing these concerns, city staff developed proposed revisions to the purchasing ordinance, which were reviewed by legal counsel. Cummins presented these red-lined changes to the council, seeking their feedback.

Amendments to Zoning Ordinance – Accessory Dwelling Unit Standards and Rental Requirements:

Zoning Director, Luke Thompson explained that the Planning Commission has been reviewing the special land use standards required for obtaining a short-term rental license for accessory dwelling units (ADUs). Currently, to qualify for a license, an ADU must comply with section 154.022 which outlines specific building standards. However, this requirement prevents many existing ADUs from being rented due to factors such as size, independent utilities, setback violations, or location in front of the primary residence. Thompson expressed concern that these restrictions unnecessarily limit residents' ability to rent their ADUs, particularly given the age and nonconforming nature of many structures. As part of the proposed text amendments, the commission has recommended removing the minimum square footage requirement to provide more flexibility. He highlighted that several applicants are currently unable to receive approval due to minor discrepancies, such as an ADU being slightly too large or small. One example mentioned was an applicant whose unit exceeded the size limit by just 10 square feet. Thompson was enthusiastic about presenting these proposed amendments to the council, emphasizing that they would create more opportunities for residents while maintaining reasonable development standards.

Councilmember Muncey returned to the council meeting at 5:44pm.

Boat Slip Fees and Lottery for 2025:

The City of Saugatuck leases ten boat slips at Wicks Park, giving priority to real property taxpayers before opening them to the general public via a lottery. The City Council reviews rates annually, with the current fees set at \$1,800 for residents and \$2,000 for non-residents. The last rate increase was in 2022. Staff have proposed raising the 2025 rates to \$1,900 for residents and \$2,100 for non-residents. The City Council will decide whether to approve or deny this adjustment.

New Bike Racks Downtown:

City Manager Ryan Cummins addressed concerns raised last summer regarding a lack of sufficient bike racks in downtown areas. Complaints had surfaced, including on social media, about people locking their bikes to trees and other inappropriate places due to limited rack availability. In response, the Convention and Visitors Bureau (CVB) offered grant funding from COVID relief funds to help address the issue.

Public Comments:

Mark Klungle, Water St. commented on a topic from the January 8th workshop regarding councilmember Muncey.

Severyn Nowicki, Holland St. thanked council for looking at putting holiday lights on water street and would like to re-visit having chickens in the city.

Paul Whitfield, Spear St. thanked PC for recommending STR ADU changes to the council.

Closed Session:

Motion by Gardner, second by Peterson to move into a closed session pursuant to MCL 15.268 (h), to discuss a confidential written legal opinion regarding engineering agreements with C2AE. Via roll call vote, motion carried 5-0.

The council moved into closed session at 6:10 p.m.

The council reconvened in open session at 7:14 p.m.

Correspondence: None.

Council Comments:

- Councilmember Anderson
- Councilmember Clark echoes previous comments, thanks DPW for preparing roads before the ice storm, and expresses willingness to take up the chicken issue with planning commission if the council decides to pursue it. He notes that planning initially sought council guidance on the matter.
- Councilmember Gardner commented on the public comment regarding chickens in the city.
- Councilmember Muncey wants to revisit the issue of residents who missed their rental renewal deadline by just one day. Noting that some have had rentals for 15 years and already have bookings, Muncey urges the council to explore a possible grace period and seeks a clear response, emphasizing the need for follow-up.
- Councilmember Peterson expressed her appreciation for DPW Superintendent Scott Herbert and his team for their efforts in managing road conditions by getting sand down promptly. She also urged the council to bring the ongoing discussion about allowing chickens to a vote, emphasizing the need to give a clear answer—either in favor or against—so the matter could be resolved.
- Mayor Anderson noted that council needs to be mindful of what priorities to add given the list of priorities.

Adjournment:

Motion by Muncey, second by Peterson to adjourn the meeting. Upon voice vote, motion carried unanimously. Mayor Anderson adjourned the meeting at 7:17 p.m.

Respectfully Submitted

Jamie Wolters, City Clerk