City Council Agenda Item Report

FROM: Ryan Cummins, Interim City Manager

MEETING DATE: March 19, 2025

SUBJECT: Culver Street Parking Lot Operation Agreement

DESCRIPTION:

The agreement with Saugatuck Public Schools to operate the Culver Street lot is due for renewal.

Highlights of the agreement include:

- **Term:** The agreement covers Memorial Day weekend through Labor Day (May 23 – September 1, 2025) with potential extensions for specific events.
- **School District Responsibilities:**
  - Operate and manage the parking lot during designated times.
  - Issue parking passes, collect fees (up to $10 per vehicle), and manage traffic within the lot.
  - Deposit all collected fees daily into a designated City account.
  - Provide liability insurance naming the City as additional insured.
- **Hours of Service:**
  - Regular hours: Friday (5PM-9PM), Saturday (9AM-9PM), Sunday (10AM-5PM).
  - Extended hours for City-sponsored events (Memorial Day, 4th of July, Venetian Festival, Labor Day) with specific dates and times outlined in the agreement.
  - Bonus days for Saugatuck Center for the Arts events.
- **City Responsibilities:**
  - Provide parking permit stickers.
- **Compensation:** School District receives 50% of the collected fees and City retains 50%.
  - The City Treasurer advised the following gross revenue was received the last several seasons:
    - 21 $49,102
    - 22 $56,634

- 23 $66,055
- 24 $56,921

LEGAL REVIEW:
The City Attorney reviewed the agreement language last year. The language remains the same except for date changes. The City Attorney will be at your meeting for any questions.

SAMPLE MOTION:
Motion to approve the 2025 Culver Street Parking Lot Operation Agreement.

CULVER STREET PARKING LOT OPERATION AGREEMENT

The CITY OF SAUGATUCK, a Michigan home rule city (the "City") and the SAUGATUCK SCHOOL DISTRICT, a Michigan Public School District (the "School District") agree as follows:

1. School District shall operate and manage the City-owned parking lot adjacent to the Saugatuck Center for the Arts located on Culver Street (the "Culver Street Parking Lot") from Memorial Day 2025 through Labor Day 2025 (hereinafter, the 'Term"), as well as such other dates approved in advance by the City Council, subject to the terms and conditions of this Agreement.

2. School District shall be responsible to issue a parking pass, collect a parking fee (not to exceed $10 per vehicle) for each vehicle seeking to park in the Culver Street Parking Lot, manage traffic within the Culver Street Parking Lot and provide labor to perform these functions. School District shall provide such services for the year 2025, between Memorial Day and Labor Day, at the following times (the "Regular Hours of Service"):

Friday	5PM-9PM
Saturday	9AM-9PM
Sunday	10AM-5PM

The Regular Hours of Service shall be modified or extended as noted below to cover the following specific City- sponsored activities:

Memorial Day Activities	
• May 23	5PM-10PM
• May 24	9AM-10PM
• May 25	10AM-5PM
• May 26	10AM-5PM
4th of July Activities	
• July 4	9AM-10PM
• July 5	9AM-10PM
• July 6	10AM-9PM
Venetian Festival Activities	
• July 25	4PM-10PM
• July 26	9AM-10PM
• July 27	10AM-5PM
Labor Day Activities	
• August 29	5PM-9PM
• August 30	9AM-9PM
• August 31	10AM-9PM
• September 1	10AM-5PM

Subject to the School District being able to cover additional dates, the Regular Hours of Service shall also be extended as noted below to cover the following bonus days for Saugatuck Center for the Arts events:

May 22	5PM-7PM

June 24, 25 & 26	5PM-8PM
July 1, 2, 3, 8, 9 & 10	5PM-8PM
August 12, 13, 14, 19, 20, 21, 26, 27, & 28	5PM-8PM

In the event of a conflict between the Regular Hours of Service and the times noted above for the City-sponsored activities, the times identified for the City-sponsored activities shall control.

The parties may mutually agree to modify the foregoing times of service. School District agrees that no fees shall be charged to residents of the City Saugatuck who display an Oval Beach season pass/sticker marked with "P" at the time of their use of the Culver Street Parking Lot. School District shall deposit 100 percent (100%) of all fees collected into a designated City account on a daily basis.

3. School District shall at all times be an independent contractor to the City pursuant to this Agreement and shall furnish any labor, equipment, materials, and signage required for its operation of the Culver Street Parking Lot. The City will, however, provide the parking ticket/stickers referenced above.

4. School District agrees that the City shall have the right, in its sole discretion, to terminate this Agreement at any time and without notice. Upon the expiration of the Term or such earlier date as provided for in this Agreement, School District shall immediately return to the City all unsold parking tickets/stickers. Within fourteen (14) days of such date, the City shall disburse to School District any compensation due to the School District up to the date of termination and School District shall have no further claim against the City. The City reserves the right to conduct a review of School District's operation of the Culver Street Parking Lot to ensure that there is no discrepancy between the number of parking passes/tickets issued (and also those that are returned to the City) and the fees collected and deposited into the City's account, and to ensure that users of the Culver Street Parking Lot have been properly charged for such use. In the event of any discrepancy, the City may offset the amount of such discrepancy against the amount to be disbursed to School District.

5. School District shall receive as compensation for its provision of services hereunder fifty percent (50%) of the fees collected from the operation of the Culver Street Parking Lot as authorized herein. City shall remit such payment(s) to School District in a manner, and at such times, reasonably agreed to by the parties.

6. School District will hold the City (including for purposes of this paragraph, its officers and employees) 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 School District or any of its agents, servants, visitors, volunteers, licensees or employees occurring during the term of this Agreement. 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.

7. School District shall maintain general liability insurance in amounts reasonably satisfactory to the City, unless School District supplements lower amounts with umbrella liability coverage, protecting School District and the City against any liability to third persons arising out of the performance of or failure to perform this Agreement. All policies shall name the City, including its officers and employees, as an additional insured. School District shall provide the City with copies of policies and/or certificates of insurance showing that such coverage is in place within 30 days of the execution of this Agreement.

8. This Agreement shall not be assigned, in part or in whole, without the prior written consent of the City in the City's sole and absolute discretion.

9. This Agreement is written pursuant to the laws of the State of Michigan and was made in Allegan County, Michigan. This is the entire agreement between the parties regarding its subject matter. There are no contemporaneous agreements. It 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.

Executed this ____ day of _____, 2025.

CITY OF SAUGATUCK

Date_____ By_____
Holly Anderson
Its Mayor

Date_____ By_____
Jamie Wolters
Its City Clerk

OPERATOR

Date_____ By_____

Date_____ And By_____