



City Council Agenda Item Report

FROM: Ryan Cummins, City Manager

MEETING DATE: March 19, 2025

SUBJECT: Griffith Street End Boat Slip Management Agreement

DESCRIPTION:

The agreement with Sergeant Marina to manage the Griffith Street end transient slips is due for renewal.

Highlights of the agreement include:

- **Term:** March 1, 2025 through October 31, 2025.
- **Operator Responsibilities:**
 - Oversee boat slip rentals, including scheduling, waiting lists, and collecting fees.
 - Provide basic amenities (water, electricity) and access to marina facilities (restrooms, showers, parking).
 - Maintain an on-site dockmaster.
 - Set rental fees (at least as high as other similar marinas on the lake) and collect them upfront.
 - Comply with all laws and permits related to the boat slips.
- **Operator Compensation:** Keeps 60% of the rental fees, remits 40% to the City by November 1st with supporting documentation.
 - The City Treasurer advised the following net revenue was received the last three seasons:
 - 21 \$10,267
 - 22 \$ 9,904
 - 23 \$ 9,931
 - 24 \$ 8,900.72
- **City Responsibilities:**
 - Maintain general liability and property insurance for the boat slips.

LEGAL REVIEW:

The City Attorney reviewed the agreement last year. Except for date changes, the agreement remains the same.

SAMPLE MOTION:

Motion to approve the 2025 Griffith Street End Boat Slip Management Agreement

2025 BOAT SLIP MANAGEMENT AGREEMENT

The CITY OF SAUGATUCK, a Michigan home rule city with offices located at 102 Butler Street, Saugatuck, Michigan 49453 (“**City**”) and Sergeant Marina, a Michigan Corporation located at 31 Butler Street, Saugatuck, Michigan 49453 (“**Operator**,” collectively, the “**Parties**”), enter into this 2025 Boat Slip Management Agreement (“**Agreement**”).

RECITALS

1. The City owns four (4) boat slips on Kalamazoo Lake (“**City Slips**”), as depicted in the attached Exhibit “A.”
2. The City desires to make available to the general public the City Slips for transient dockage.
3. Operator owns and operates a marina adjacent to the City Slips (“**Operator Property**”).
4. Operator is willing to oversee the rental of the City Slips and to provide certain services in connection with such rentals as more fully set forth in this Agreement.

AGREEMENT

The Parties agree as follows:

1. Term. The term of this Agreement shall extend from March 1, 2025 through October 31, 2025, unless sooner terminated as provided in this Agreement.
2. Operator Obligations. Operator shall, at its sole cost and expense, oversee the rental of the City Slips and provide ancillary services to customers renting those slips. Operator’s obligations shall include:
 - 2.1. Scheduling the rental of the City Slips for transient dockage by the general public (including but not limited to slip assignment, maintenance of a waiting list, and other activities incidental to the rental of boat slips including the completion of any rental agreements utilized by Operator);
 - 2.2. Providing potable water and electrical service to each of the City Slips;
 - 2.3. Providing access for persons renting the City Slips to the bathroom and shower facilities located on the Operator Property;
 - 2.4. Providing parking for persons renting the City Slips to the vehicle parking areas located on the Operator Property;

- 2.5. Providing an on-site dock master for the City Slips; and
- 2.6. Assessing and collecting fees for rental and use of the City Slips (“**Rental Fees**”), with the Rental Fees to be determined by Operator but in no event less than those fees of other marinas located on Kalamazoo Lake that offer similar transient dockage. Operator agrees that it shall require customers to prepay all Rental Fees, which payments shall be evidenced by receipts or such other documents as the City may reasonably request.

The Parties agree that Operator’s obligations shall not include maintenance, repair or replacement of the City Slips except to the extent such maintenance, repair or replacement is necessitated by the acts of Operator or any person acting at the direction or request of Operator. Operator agrees to promptly notify the City of any damage to, or condition of, the City Slips which may need repair or replacement. The City may perform any such repair or replacement of the City Slips in its sole discretion and shall have no liability to Operator for failing to perform such repair or replacement. The Operator shall perform its obligations in compliance with all federal, state and local laws, as well as any permits issued with respect to the City Slips.

3. Operator Compensation. In consideration of its obligations, Operator shall be entitled to retain 60% of all of the Rental Fees assessed, and shall remit to the City 40% of the Rental Fees assessed. Payment of the City’s portion shall be accompanied by all documents the City may reasonably request to verify the calculation of Rental Fees and the City’s portion thereof, including without limitation all rental agreements and receipts. The amount to be paid to the City, and all supporting documentation, shall be delivered to the City on or before November 1, 2025. Any Rental Fees due to the City that are not paid by November 1, 2025, shall bear interest at the rate of five percent (5%) per annum until paid by Operator. In addition, should the City be required to take any action to recover unpaid Rental Fees, Operator shall be required to reimburse the City for all its costs of collection, including attorney fees and court costs. Additionally, the City may request at any time during the term of this Agreement that Operator provide to the City reports and other documents evidencing the rental activities with respect to the City Slips, including the amount of Rental Fees assessed and collected to date.
4. Taxes/Expenses. Operator shall pay all taxes attributable to the rental of City Slips and Operator’s provision of services hereunder. Operator shall provide and pay for all operational supplies, as well as all utilities and water service for the City Slips.
5. Relationship of the Parties. Operator shall act as an independent contractor and shall furnish the labor and all equipment and materials required in connection with the performance of its obligations under this Agreement. Nothing herein shall be deemed to grant to Operator any legal or equitable interest in the City Slips.
6. Termination. The City shall have the right to cancel this Agreement with 30 days’ prior written notice to Operator if Operator substantially or materially breaches this Agreement or Operator endangers the public health or safety with regard to the City Slips. Upon the termination by

the City of this Agreement, Operator shall remit to the City 40% of all Rental Fees assessed through the date of such termination, and provide the City with all supporting documentation, within five days following such termination.

7. Indemnity. Operator agrees to 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 or arising from any act or omission by Operator or any of its agents, servants, visitors, licensees or employees with respect to the City Slips. 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.
8. Insurance. The City shall maintain general liability insurance with respect to the City Slips, as well as property insurance with respect to any damage or destruction of the City Slips. Operator shall be responsible for maintaining general liability insurance with respect to the performance of its obligations hereunder and with respect to the services it will provide pursuant to this Agreement. Additionally, Operator shall maintain automobile insurance in such amounts as the City may reasonably request. All insurance Operator is required to maintain hereunder shall name the City as an additional insured, and Operator shall provide the City with proof of such insurance before renting any City Slips.
9. No Assignment. 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.
10. Third-Party Beneficiary. No person shall be deemed to be a third-party beneficiary of this Agreement.
11. Miscellaneous. 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.

[Signature page to follow]

CITY OF SAUGATUCK

By _____
Holly Anderson
Its Mayor

And by _____
Jamie Wolters
Its City Clerk

OPERATOR

By _____

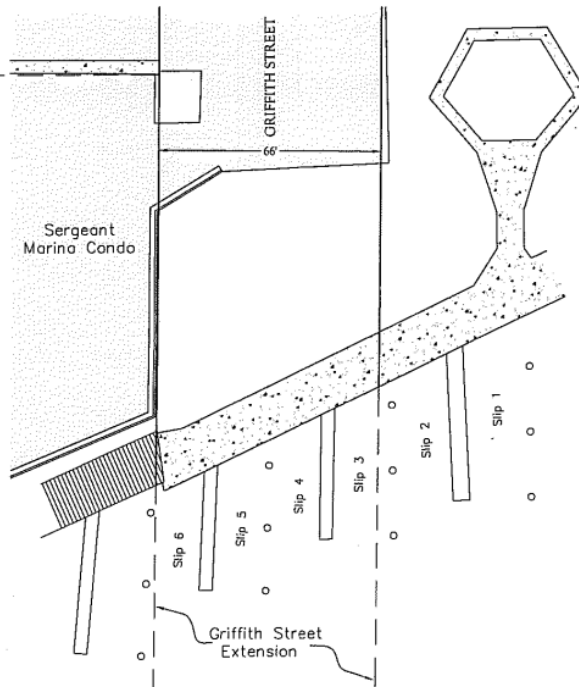
Its _____

Exhibit "A"

Date 4/18/08	Drawn eds	Job Number 1010801
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P.O. Box 410
Allendale, MI 49401

Phone (616) 895-7190
Fax (616) 895-7191



Scale 1" = 30'

Concrete

D = Description dimension
M = Measured dimension
P = Platted dimension

Set iron stake
Found iron stake

Prepared For:
City of Saugatuck
102 Butler Street
Saugatuck, MI 49453



By:

Todd D. Bronson
Licensed Professional Surveyor No. 45494

